**Articles of Association of ElectReon Wireless Ltd.**

**In English: ElectReon Wireless Ltd.**

# Preface

1. Definitions and General
   1. In these Articles of Association, unless the context necessitates otherwise -

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| “**Person**” or “**persons**” | * + - Including a corporation; |
| “**In writing**” | * + - Handwritten, printed, typed, photocopied, photographed, faxed, emailed or any other format or readable version; |
| “**Shareholder**” | * + - Anyone who is a Shareholder on the date of record as provided in Section 182 of the Companies Law, if there is a date of record in such regard; |
| “**Registered Shareholder**” | * + - A Shareholder registered in the Company’s Shareholder Register; |
| “**Unregistered Shareholder**” | * + - A Shareholder as defined under Section 177(1) of the Companies Law; |
| The “**Company**” | * + - ElectReon Wireless Ltd. (and in English: ElectReon Wireless Ltd.); |
| The “**Law**” or the “**Companies Law**” | * + - The Israel Companies Law, 1999, as amended from time to time and the regulations promulgated thereto; |
| “**Electronic Voting System**” | * + - The system operating according to Title B of Chapter G’2 of the Israel Securities Law. |
| “**Electronic Voting**” | * + - Voting through a voting card via the Electronic Voting System. |
| The **“Secretary**” | * + - Person appointed as corporate secretary of the Company, or who effectively performs such role; |
| The “**Register**” or “**Shareholder Register**” | * + - The Company's register of Shareholders required to be maintained in accordance with the Law; |
| The “**Office**”or the “**Registered Office**” | * + - The Company’s office registered with the Registrar of Companies, as it may be from time to time; |
| “**Simple majority**” | * + - A majority vote of all Shareholders present at a General Meeting, who are entitled to vote and voted, excluding abstentions; |
| “**Year**” or “**month**” | * + - Based on the Gregorian calendar; |
| “**Corporation**” | * + - A company, partnership, cooperative, NGO or any other body corporate whether or not it has been incorporated; |
| These “**Articles of Association**” or the “**Articles**” | * + - The articles of association included in this document, as amended from time to time; |

* 1. Any term included in these Articles of Association which has not been defined in Article 1.1 above shall have the meaning given to it in the Companies Law unless necessitated otherwise by the context; singular language shall also apply to the plural and *vice versa*, male gendered language shall also apply to the female gender and *vice versa*; references to individual persons shall also include incorporated entities.
  2. Captions used in these Articles of Association are solely intended for convenience purposes and shall not serve in the construction of these Articles.
  3. Any place in these Articles of Association where it is stipulated that its provisions shall be subject to the Companies Law and/or subject to any other law, the intention is to refer to the provisions of the Law and/or any other law which cannot be stipulated against unless necessitated otherwise by the context.
  4. The provisions of the Companies Law which can be stipulated against shall apply to the Company unless stipulated otherwise in these Articles of Association and provided that they are consistent with the provisions of these Articles.

**Company Name**

1. The Company's name is as follows:

In Hebrew - ElectReon Wireless Ltd.

In English - ElectReon Wireless Ltd.

**Limited Liability**

1. The liability of each of the Company’s Shareholders is limited to payment of the full amount that they undertook to pay for the shares issued to them at the time of the issuance.

**Company’s Objectives**

1. The Company’s objectives are to engage in any lawful business.

**Business**

1. The Company may, at any time, engage in any industry or type of business, which it is explicitly or implicitly authorized to engage in according to its objects. The Company may also cease engaging in these businesses, irrespective of whether or not it commenced engaging in that industry or type of business.

**Donations**

1. The Company may donate reasonable amounts to worthy causes, even if the donation does not fall within the scope of the Company’s business considerations. The Board of Directors is authorized to determine, at its own discretion, the amounts of the donations, the causes for which donations may be made, the identity of the recipient of the donation and any other related conditions.

**The Registered Office**

1. The Registered Office of the Company shall be located at an address to be determined by the Board of Directors, subject to change from time to time.

**The Articles of Association**

1. Unless stipulated otherwise with respect to a particular provision in these Articles of Association, the Company may amend any of the provisions of these Articles of Association, including this Article, or have them replaced with another through a resolution adopted by the General Meeting with a simple majority.
2. A resolution adopted by the General Meeting with the majority required to amend these Articles of Association, which alters any of the provisions of these Articles of Association, shall be considered a resolution to amend these Articles of Association, even where the resolution does not explicitly stipulate such.
3. The Company may restrict the authority to amend the Articles or any of its provisions in a contract if a resolution in such respect has been adopted by the General Meeting, with the majority required to amend the provisions of the Articles. Such a resolution shall have the same status as a resolution to amend the Articles.
4. Subject to the provisions of the Companies Law, amendments to these Articles of Association shall be effective from the date of the adoption of the resolution by the Company, or a later date stipulated in the resolution.

**Authorized Share Capital**

1. The Company’s authorized share capital shall constitute 20,000,000 ordinary shares with no par value (the “**Ordinary Shares**”). The Company may alter its authorized share capital in accordance with the provisions of the Companies Law and these Articles.

**The Shares**

1. The Company’s Ordinary Shares shall have equal rights for all intents and purposes, including rights connected to dividends, bonus shares, and participation in a distribution of the Company’s surplus assets upon liquidation, regardless of any premium paid on its account, all subject to the provisions of these Articles of Association.
2. Each of the Ordinary Shares entitles its owner to a right to participate in General Meetings of the Company and to one vote per item.
   1. A Shareholder of the Company is a person registered as a Shareholder in the Shareholder Register, and a person recorded as having a share registered in their favor with a TASE member, and that share is included among the shares registered in the Company’s Shareholder Register to a Nominee Company, and anyone holding a share warrant issued by the Company, if applicable.

A Shareholder who is a trustee shall be recorded in the Shareholder Register, indicating their trustee status, and shall be considered a Shareholder for the purposes of the Companies Law. The Company shall recognize the aforementioned trustee as a Shareholder, for all intents and purposes, and shall not recognize any other person, including the beneficiary, as the holder of any right whatsoever in the share.

* 1. Without derogating from the foregoing, and subject to the provisions of these Articles of Association, except for Company’s Shareholders as set forth above in Article 15.1, no person shall be recognized by the Company as holding any right whatsoever in a share, and the Company shall not be bound by or in any way recognize any interest based on equity, trusteeship, chose in action, or any future or partial interest in any share, or any interest in any fractional part of a share, or any other rights in respect of any share except an absolute right of a Shareholder as stipulated above in Article 15.1, with respect to the entirety of the share.

**Share Certificates**

1. The certificates attesting to a property right in the shares shall bear the Company seal, as well as the signatures of two of the following: A Director or two of the Company’s Directors, the Company’s General Manager or interim/acting General Manager, the Company Secretary, or the signatures of any two persons appointed by the Board of Directors for this purpose.

The Board of Directors may decide that the signatures may be affixed by any mechanical means, as determined by it.

1. Unless stipulated otherwise under the terms of a share issuance:
   1. Every Registered Shareholder shall have the right to receive from the Company, upon request, and within a period of two months from the share issuance or registration of share transfer, as relevant, one certificate attesting to ownership of the shares registered in the Shareholder’s name, or, with the Company’s consent, a number of certificates, as said. All against return of the replaced share certificates, if relevant, to the Company.
   2. A Nominee Company shall have the right to receive from the Company, upon request, and within a period of two months from the share issuance or registration of share transfer, as relevant, one certificate which serves as evidence of the number and class of shares registered in its name in the Shareholder Register. All against return of the replaced share certificates, if relevant, to the Company.

The Company shall not issue share certificates as provided above, unless it is requested to do so by a Registered Shareholder or by the Nominee Company, as the case may be.

1. Subject to the provisions of the Companies Law, each certificate shall indicate the number of shares in respect of which it was issued and their serial numbers.
2. A certificate regarding a share registered in the name of two or more persons shall be provided to the person whose name appears first in the Shareholder Register, with respect to the relevant share, unless all Registered Holders of said share instruct the Company, in writing, to issue it to another Registered Shareholder.
3. In the event a share certificate is destroyed, spoiled, lost or damaged, the Company may order its cancelation and issue a new replacement certificate, provided the share certificate has been provided to, and destroyed by, the Company, or it has been proven, to the satisfaction of the Company, that the certificate was lost or destroyed, and the Company has received guarantees to its satisfaction against any possible damages. A fee, to be determined by the Board of Directors from time to time, shall be paid for each share certificate issued in accordance with this Article. The Board of Directors may authorize any person to exercise its authorities under this Article.

**Payments for Shares and Calls for Payment**

1. The Board of Directors may, from time to time, demand the Shareholders make payment it deems are due on account of outstanding payments due for their shares, including share premium amounts, which according to the terms of the issuance are not due for payment at set times. Each Shareholder shall pay the amount requested of them at the times and places established by the Board of Directors. A call for payment may specify a payment plan/schedule. A call for payment shall be deemed to have been requested on the date the resolution approving such was adopted by the Board of Directors.
2. Each call for payment shall include a notice specifying the date for payment (at least 14 days following the date of the notice), its place and the person to whom payment should be made, provided that the Board of Directors may cancel the call for payment or extend the due date prior to the due date of the requested amount through the provision of notice to the Shareholders.
3. If, according to the issuance terms of a share or in any other manner, payment of any amount is due on a set date or part thereof on set dates, either on account of payment for the share or on account of share premium, then each amount or part thereof shall be paid when due, as if such was requested to be paid through a call for payment duly made by the Board of Directors, and the provisions of these Articles of Association regarding calls for payment shall apply to such amount or part.
4. The Board of Directors may, when issuing any shares, determine that a difference should be made between the Shareholders regarding the amounts and dates of calls for payment for shares.
5. Co-owners of a share shall jointly and severally be responsible for paying any amounts and calls for payment due in connection with such a share.
6. In the event that an amount which is required to be paid by virtue of a call for payment is not made, or not made by a set date, the party responsible for the payment shall be liable for interest at a rate set by the Board of Directors, or differentials linked to an official index or differentials linked to a foreign currency plus interest at a rate set by the Board of Directors, all as determined by the Board of Directors from time to time (the interest and linkage, as said, shall hereinafter be referred to as: the “**interest**”). The interest shall be paid for the period from the date the payment was due until its full actual payment, however, the Board of Directors may waive payment of all or some of the interest.
7. A Shareholder shall not be entitled to a dividend and shall not be entitled to exercise any right of a Shareholder of the Company before they have paid all the amounts and calls for payment they owe the Company at such time (plus interest if required as provided for above in Article 26) for each one of the Company's shares held by them, alone or jointly with another person.
8. Should the Board of Directors find it correct to do so, it may accept from a Shareholder wishing to do so, amounts which have not yet been called or due for payment on account of all or some of their shares, and it may pay the Shareholder interest for amounts paid in advance, as said, or part thereof, until the date the amounts were due for payment had they not been paid in advance, at the rate set by the Board of Directors.

**Forfeiture, Lien and Pledge**

1. In the event a Shareholder failed to pay an amount they were required to make according to a call for payment, or on a set date, the Board of Directors may at any subsequent time and at any time the amount is outstanding, furnish the Shareholder or person who acquired a right in a share a written notice demanding they pay such amount, plus any accrued interest, and all expenses incurred by the Company due to the non-payment.
2. The notice shall specify a date (no earlier than seven days from the date of the notice) and place, where such amount should be paid plus interest and expenses as provided above in Article 29, the notice shall also specify that in the event of non-payment by the specified day and at the specified place, the shares for which the notice was given may be forfeited.
3. If the notice requirements specified above in Article 29 have not been satisfied, the Board of Directors may decide to forfeit the shares for which the notice was given, at any time following the time specified for payment in the notice, unless the requested payment, the interest and associated expenses were paid prior to the decision to forfeit.

The forfeiture shall also apply to all dividends declared with respect to the forfeited shares not yet actually paid prior to the forfeiture.

1. If a share was forfeited, as said, the holder of the forfeited share shall be given notice of the decision and the forfeiture and date thereof shall be recorded in the Share Register. However, the forfeiture shall continue to be effective notwithstanding the non-provision of a notice and/or non-specification in the Share Register and/or as a result of defects therein.
2. The Board of Directors may act with respect to a forfeited share, including the sale thereof, in accordance with the provisions of the Companies Law and these Articles of Association.
3. At any time a forfeited share has not been sold, the Board of Directors may cancel the forfeiture in accordance with terms and conditions it deems appropriate.
4. A person whose shares have been forfeited shall cease being a Shareholder by virtue of the forfeited shares and all their rights in the Company shall become null and void upon the forfeiture as well as any claim or demand against them with respect to the shares and the other rights and obligations between the Shareholder and Company associated with the shares, apart from those rights and obligations which have been excluded from this rule under these Articles of Association or which are imposed on a former Shareholder, according to applicable law.

A Shareholder whose shares have been forfeited shall continue to be subject to an obligation to pay and shall pay the Company, without delay, all the amounts, interest and expenses due in respect of those shares or in relation to them on the forfeiture date, together with interest from the forfeiture date until actual payment at a rate set by the Board of Directors, provided that in the event that the forfeited shares are resold, the liability of the Shareholders whose shares were forfeited shall be reduced to the amount actually received from their re-sale, less the expenses incurred by the Company in connection with the sale of the shares.

1. The Company shall have a first-ranked and preferred fixed charge and lien over all the shares the consideration for which has not been paid in full that are recorded in the name of any Shareholder (alone or jointly with someone else) and over the proceeds from their sale, as security for the payment due to the Company for the shares. The aforesaid lien and charge shall also apply to all the dividends declared from time to time on such shares. Notwithstanding the aforesaid, the Board of Directors may at any time declare, with respect to any share, that it is released from the terms and conditions of this Article.
2. For the purpose of realizing a lien and/or charge as provided above, the Board of Directors may sell the shares the subject of the lien and/or charge in such manner as it deems fit, provided that it shall not sell them until after the date has passed for payment, performance or execution of the debts/obligations as aforesaid, and after written notice of the intention to sell has been given to the relevant Shareholder, or anyone who has acquired a right to the shares by virtue of the death, bankruptcy or liquidation of the Shareholder, and they fail to pay the debts within seven days of the date of the notice.
3. For the purpose of making a sale after forfeiture, or in order to realize a lien and/or charge, the Board of Directors may appoint a person to draw up a share transfer deed for the shares being sold, execute it and arrange for the buyer's name to be entered in the Shareholder Register as holder of the shares being sold.
4. The net consideration from any sale as aforesaid, after payment of the sale expenses, shall be used by the Company to pay the said Shareholder's debts, including debts, obligations and undertakings the payment or performance of which is not yet due. The balance (if any) shall be paid to them or to their successors with respect to the right to said share, subject to the existence of a lien and/or charge in favor of the Company - similar to the lien and/or charge that would have existed over the shares before the sale - over the aforesaid balance, in respect of debts not yet due and that notwithstanding the aforesaid, the Board of Directors resolved to pay on such date.
5. A declaration drawn up by a Director of the Company to the effect that a particular Company share was duly forfeited on the date specified in the declaration and/or a lien and/or charge over a share has been duly realized shall serve as conclusive proof of the contents thereof *vis-à-vis* any person claiming a right to the share, and this declaration together with the Company's receipt for the consideration, if received, for the share, on its sale or transfer, shall vest the transferee with a right in the share.

A person to whom a share has been sold or transferred, as aforesaid, shall be recorded as holder of the share and they shall not be liable for what is done with the sale consideration, if received. Their right to the share shall not be affected by any defect or fault in the forfeiture, sale or transfer proceedings, and after they have been entered in the Shareholder Register as a Shareholder, no such argument shall be entertained, and the validity of the sale or transfer may not be challenged.

1. The provisions of these Articles of Association regarding forfeiture of shares, lien, charge and sale shall apply to non-payment of any amount payable on a fixed date pursuant to the share's allotment terms and conditions, whether on account of the share or as premium, as though it was an amount payable by virtue of a call for payment, notice of which was duly given.
2. The provisions of these Articles of Association, with regard to forfeiture of shares, lien and charge, do not derogate from any relief that the Company might have *vis-à-vis* the Shareholder under the Contract Law (Remedies for Breach of Contract), 1970, or pursuant to any other law.

**Transferring Shares and Assigning Them**

1. Any transfer of shares recorded in the Shareholder Register in the name of a Registered Shareholder, including transfer to or by a Nominee Company, shall be executed in writing as specified below in Article 44, provided the share transfer deed is signed by the transferor and the transferee, and is delivered to the Company’s Registered Office or to any other location determined by the Board of Directors for this purpose.

Subject to the provisions of the Companies Law, share transfers shall only be recorded in the Shareholder Register after the share transfer deed is delivered to the Company, as stipulated above; the transferor shall continue to be deemed as the owner of the transferred shares until the transferee is recorded as the holder of the transferred shares in the Shareholder Register.

1. The share transfer deed shall be prepared in writing, in the format presented below or in a form as similar as possible thereto, or in any other format approved by the Board of Directors:

I, \_\_\_\_\_\_\_\_\_\_, of \_\_\_\_\_\_\_\_\_\_\_\_\_, ID no. \_\_\_\_\_\_\_\_\_\_ (the “**Transferor**”) transfer to \_\_\_\_\_\_\_\_\_\_\_, ID no. \_\_\_\_\_\_\_\_\_ (the “**Transferee**”), in consideration for payment of ILS \_\_\_\_\_\_\_\_\_\_, which has been paid to me, the \_\_\_\_\_ class shares, each having a par value of ILS \_\_\_\_\_\_\_\_, with serial numbers \_\_\_\_\_\_\_ - \_\_\_\_\_\_\_\_ (inclusive) of \_\_\_\_\_\_\_\_\_\_\_\_\_\_ Ltd., and they shall be held by the Transferee, according to the terms under which I held the shares that I am transferring by executing this deed, and I, the Transferee, agree to accept the aforementioned shares according to these terms and conditions.

IN WITNESS WHEREOF, the parties have signed on \_\_\_\_\_\_\_, 20\_\_.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Transferor’s signature Transferee’s signature

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Witness for Transferor’s signature Witness for Transferee’s signature

1. The Company may close the Shareholder Register for any length of time established by the Board of Directors, provided that it shall not exceed, in total, thirty days annually. No transfer of shares shall be recorded in the Shareholder Register during the time the Shareholder Register is closed. Without derogating from the foregoing, the Board of Directors may establish a date of record in order for the Company to establish who of the Shareholders is entitled to a notice or shall be entitled to vote at a General Meeting, or to receive payment of dividends or issuance of any rights whatsoever or for any other legal purpose.
2. Subject to the provisions of these Articles of Association or the issuance conditions any class of shares whatsoever, the Company’s shares which have been paid in full shall be transferrable without requiring the approval of the Board of Directors.
3. All share transfer deeds shall be submitted to the Office, or any other location determined by the Board of Directors, for registration purposes, accompanied by the share certificates for the transferred shares, where issued, and any other proofs required by the Board of Directors regarding the transferor’s property rights, or right to transfer the shares. The registered share transfer deeds shall remain in the Company’s possession. However, any share transfer deed which the Board of Directors has refused to register shall be returned to the person who submitted such, if requested.
4. Should the Board of Directors refuse to approve a share transfer, it shall notify the transferor no later than one month from the date of receipt of the share transfer deed.
5. The Company may charge a fee for recording the transfer, in an amount that shall be set by the Board of Directors, from time to time.
6. Subject to the provisions of the Companies Law and the provisions of these Articles of Association, if it is proven to the Company that the conditions under law have been satisfied to assign the right to shares registered in the Register, the Company shall recognize the assignee, and it alone, as the right holder of such shares. The person entitled to a share, as said, shall be entitled to other dividends paid for the shares as if they were the registered owner of the share. However, they shall not be entitled to any Shareholder right pertaining to the Company’s General Meetings by virtue of such share prior to them being recorded as owner of such share.
7. 1. Subject to the provisions of these Articles of Association, the Company shall change the registration of ownership of shares in the Shareholder Register if the Company is issued a court order to amend the Register or if it is proven to the Company, to the satisfaction of the Board of Directors and in the manner established by it, that the conditions under law have been satisfied to assign the right to shares.
   2. Without derogating from the foregoing, and subject to the provisions of the Companies Law and these Articles, a person entitled to a share as set forth above in Article 50, shall personally have the right to transfer the shares in the same manner as the Registered Shareholder, prior to the endorsement of rights. The Board of Directors has the right to refuse or delay the transfer, as it would have the right to do, if the Registered Shareholder had personally transferred the share, before the right was endorsed.
8. Notwithstanding that set forth above, the Board of Directors may, at any time, demand the person entitled to a share, as provided above in Article 48, to personally be recorded in the Register or to transfer the share to a third-party. In the event that said demand was not satisfied within 60 days from being made, the Board of Directors may withhold dividends or other rights for the share, until the demand has been complied with.

In the event that such a demand was made, the matter shall be deemed approval of the Board of Directors to record the person entitled to the share as its owner in the Share Register, however, the Board of Directors shall maintain the right to refuse to approve the transfer of the share to a third-party in accordance with the provisions of these Articles of Association.

1. The Company may destroy share transfer deeds upon the passing of six years from when recorded in the Register. The Company may also destroy canceled share certificates, upon the passing of three years from the date they were canceled, and there shall be a *prima facie* presumption that all destroyed transfer deeds and certificates were fully effective and valid and that any transfers, cancelations and registrations, as the case may be, were done in accordance with applicable law.

**Share Warrants**

1. The Board of Directors may issue a share warrant for a fully paid share, and the provisions of Section 135 of the Companies Law shall apply. The Board of Directors may also establish provisions regarding the terms under which a share warrant may be issued and may determine, either through slips or in any other manner, the ways that dividends may be paid or other rights may be given for the shares subsumed in a share warrant.
2. A share warrant issued by the Company grants the warrant holder the right to shares specified in the warrant; these shares may be transferable through furnishing the warrant to the transferee and the provisions of these Articles of Association regarding the transfer of shares shall not apply to the shares included in the share warrant.
3. A Shareholder holding a share warrant may return the warrant to the Company to cancel it to convert it into a registered share. The Shareholder’s name shall be recorded in the Shareholder Register upon the warrant being canceled while specifying the number of shares registered to them, as required under the Companies Law.
4. A Shareholder holding a share warrant may deposit the share warrant at the Office or any other place determined for such purpose by the Board of Directors, and 48 hours following the deposit, and at any time the share warrant is deposited as said, the depositor shall have the right to execute a request to convene a General Meeting for the Company, to participate in any of the Company’s General Meetings, to vote therein and to exercise any of the rights given to a Shareholder at any convened General Meeting, as if they were recorded in the Shareholder Register, as an owner of the shares included in the deposited share warrant. Only one person may be recognized as depositor of a particular share warrant. The Company shall return the share warrant to the depositor within 48 hours from receipt of a written request from the depositor to return the share warrant.
5. Unless explicitly stipulated otherwise in these Articles of Association, a person holding a share warrant may not sign a request to convene one of the Company’s General Meetings or participate in a General Meeting or vote therein and may not exercise any other right of a Shareholder at the Company’s General Meetings. However, a person holding a share warrant shall be a Shareholder of the Company and shall have, with respect to all other matters, all the rights as if they were recorded in the Shareholder Register, as owner of the shares included in the share warrant.
6. The Board of Directors may, should it find it correct to do so, determine to change, from time to time, the conditions for issuing a share warrant, including a new share warrant or slip *in lieu* of a share warrant or slip formerly issued by the Company. However, the Board of Directors shall not issue a share warrant or slip, as said, unless the previous slip or share warrant together with all unpaid slips issued for such have been given to the Company to cancel, or if it has been proven to the Board of Directors’ satisfaction that they were destroyed or if the Board of Directors has agreed to such at its absolute discretion, and the Company has been given a guarantee or letter of indemnification, to the full satisfaction of the Board of Directors, to cover any damage which is liable to be caused as a result.

**Changes to the Share Capital**

1. The Company may, through a resolution adopted at the General Meeting with a simple majority, increase its authorized share capital, create share classes, as may be determined.

The new shares shall be in a particular amount divided into shares of a particular par value, and shall be subject to the terms, conditions, rights or restrictions determined by the General Meeting in the resolution for them to be created, and if not determined - as shall be determined by the Directors. Without prejudice to the special rights given earlier to the Company’s existing Shareholders and subject to the provisions of these Articles of Association, the Company may create shares with preferred rights, or subordinate or surplus rights, with respect to dividends, participating in assets upon liquidation or voting rights, or even without part in any of these rights or with respect to other matters, as may be determined by the Company from time to time, provided that the rights attached to the new shares shall rank equally with the rights attached to the shares of the same class existing as part of the Company’s capital structure.

1. Unless stipulated otherwise in a resolution approving increase of the share capital, any new capital shall be deemed part of the Company’s original share capital and the new shares shall be subject to the same provisions regarding calls for payment, or amounts or rates on set dates, transfer, assignment, forfeiture, attachments and/or liens and other matters referring to the shares existing in the Company’s share capital.
2. Unless determined otherwise in the resolution approving increasing the share capital and subject to that set forth in these Articles of Association, the shares shall be issued from the Company’s original or increased share capital to such persons and under such conditions as resolved by the Board of Directors at its sole discretion.
3. Subject to the provisions of the Companies Law, the Company may, through a resolution adopted at the General Meeting, with a simple majority:
   1. Consolidate all or some of its shares, and divide them into shares of a par value greater than the par value of its existing shares, if a par value is applicable;
   2. Split all or some of its shares, and subdivide them into shares of a par value less than the par value of its existing shares, if a par value is applicable;
   3. Decrease the Company's capital and any capital redemption reserve fund;
   4. In order to execute any resolution as aforesaid, the Board of Directors may settle, in its discretion, any difficulty arising in such regard.
4. Without derogating from the generality of the foregoing authority of the Board of Directors, if said consolidation or division leaves Shareholders with fractions of shares, the Board of Directors may, in its sole discretion, act as follows:
   1. To allot, to all Shareholders left with a fraction of a share as a result of the consolidation and/or split of shares, shares of the class of shares that existed in the Company's capital before the consolidation, in such number the consolidation of which with the fraction would create one whole consolidated share, and such allotment shall be deemed valid immediately prior to the consolidation or split, as the case may be;
   2. To determine the manner of payment of the amounts payable for the shares allotted as provided above in Article 64.1, including the way in which the amounts on account of bonus shares can be paid;
   3. To determine that holders of fractions of shares shall not be entitled to receive a consolidated share for a fraction of a consolidated share;
   4. To determine that Shareholders shall not be entitled to receive a consolidated share for a fraction of a consolidated share of a particular par value, or less than that, and shall be entitled to receive a consolidated share for a fraction of a consolidated share of a par value higher than the said par value;
   5. To determine that fractions of shares that do not entitle the holders thereof to a consolidated share shall be sold by the Company and the sale consideration shall be paid to those entitled thereto, at such terms and conditions and in such manner that shall be determined in a resolution.
5. The Company may, through a resolution adopted at the General Meeting, cancel authorized share capital not yet allotted, provided that the Company has not undertaken, including conditionally, to allot the shares.

**Alteration of Rights**

1. At any time the share capital is divided into different classes, the Company may, through a resolution adopted by the General Meeting through a simple majority, and unless the issuance conditions of the shares of such class provide otherwise, cancel, convert, expand, add to, limit, amend or otherwise alter the rights attached to a class of shares of the Company, provided that, for such purpose, it has obtained the written consent of all the holders of the shares of such class or that the resolution was adopted at a General Meeting of the holders of the shares of such class by a simple majority, or in the event that it is stipulated otherwise in the issuance conditions of a particular class of the Company's shares - as provided in the issuance conditions of such class.
2. The rights vested in the Shareholders, or holders of a class of shares, that were issued with ordinary rights or preferred rights or other special rights, shall not be deemed to have been converted, restricted, adversely affected or otherwise altered by the creation or issue of additional shares of any class, whether ranking equally with them or differently or preferentially, and shall not be deemed to have been converted, restricted, adversely affected or otherwise altered by any change in the rights attached to shares of any class - unless expressly provided otherwise in the issuance conditions of such shares.

**Issuance of Shares and Other Securities**

1. The Board of Directors may issue shares and other securities convertible or exercisable into shares, up to the limit of the Company's authorized share capital; in such regard, convertible securities that are convertible or exercisable into shares shall be deemed to have been converted or exercised on the issue date. Without derogating from the generality of the aforesaid, the Board of Directors may issue the shares and other securities, as aforesaid, grant options to acquire them, including warrants, or grant them in any other manner, to persons determined by it, at such times and prices and on such conditions as determined by it, and determine any other provision in relation thereto, including provisions for the ways of distributing the shares and securities issued by the Company amongst their purchasers, including in the event of over-subscription.
2. Without derogating from the generality of the aforesaid, and subject to the provisions of the Companies Law and these Articles of Association, the Board of Directors may determine that the consideration for the shares shall be paid in cash or assets *in specie*, including by way of securities or in any other way, in its discretion, or that the shares shall be allotted as bonus shares or that the shares shall be allotted for consideration equal to or higher than or lower than their par value (to the extent the Company’s shares have a par value), in units or in series, on the conditions and at the times determined by the Board of Directors.
3. The Board of Directors may pay a commission or underwriting fee to any person for underwriting or agreeing to subscribe or for procuring subscriptions or guaranteeing subscriptions for shares, bonds or other securities of the Company.
4. The Board of Directors may also, in the event of an issuance of securities of the Company, pay brokerage fees; and all in cash, shares of the Company, or other securities issued by the Company, or in any other way, or partly in one way and partly in another way.

**Redeemable Securities**

1. Subject to the provisions of the Companies Law, the Company may issue redeemable securities on such conditions and in such way as determined by it.

# Registers

1. The Company shall maintain a Shareholder Register as required under the Companies Law and a register of material Shareholders, as required by the Companies Law.
2. The Company may maintain another Shareholder Register outside of Israel in accordance with the conditions determined in such regard in the Companies Law.
3. The Company shall maintain a register of holders of bonds, capital notes, debentures and securities convertible into shares of the Company, and all the provisions of these Articles of Association regarding shares shall apply to the aforementioned convertible securities, with regard to entry in the register, issue of certificates, replacement of certificates, transfer and transmission, *mutatis mutandis*, subject to the allotment conditions of the securities.

**General Meetings**

1. The authorities of the General Meeting shall be in accordance with the provisions of the Companies Law.
2. The Company shall hold Annual General Meetings on an annual basis and no later than fifteen months from the previous Annual General Meeting, at the time and place determined by the Board of Directors.
3. The agenda of the Annual General Meeting shall include the following items:
   1. Receiving a copy of the Company’s financial statements and Board of Directors’ report on the state of the Company’s business affairs, submitted to the General Meeting;
   2. Appointing Directors;
   3. Appointing an auditor and determining the auditor’s fees or authorizing the Board of Directors to establish the auditor’s fees;
   4. In addition to that set forth above, the General Meeting’s agenda may also include any other agenda item, as provided in Article 79 below;

A General Meeting as aforesaid shall be called an “**Annual General Meeting**” and any other General Meeting shall be called an “**Extraordinary General Meeting**”.

1. The Board of Directors may, at any time it deems appropriate, convene an Extraordinary General Meeting as resolved by it, and Extraordinary General Meetings shall also be convened at a request as provided in the Companies Law with respect to a public company.
2. Deleted.
3. Deleted.
4. A notice of a General Meeting shall be published in accordance with applicable law. Apart from issuing the aforementioned notice, as said, the Company shall not issue the Shareholders any other notice of a General Meeting, and these Articles of Association shall be deemed to establish that no notice for the General Meeting shall be given. Unless required otherwise by applicable law, a notice of a General Meeting shall be published at least 14 days prior to the General Meeting.
   1. The notice for the General Meeting shall stipulate the place and time the General Meeting shall be convened, and shall include the agenda and a summary of the proposed resolutions and any other detail required under applicable law.
   2. In its resolution to call a meeting, the Board of Directors may determine the manner of detailing the items on the meeting's agenda that shall be sent to the Shareholders entitled to participate in the meeting, at the Board of Directors' discretion and subject to the provisions of the Companies Law.
   3. Without derogating from the authorities of the Board of Directors as set forth above in Article 83.2, and without derogating from the generality of the provisions of these Articles of Association pertaining to the Board of Directors transferring authorities, the Board of Directors may transfer the authorities set forth in Article 125 below, to one of the Board Committees and/or one of the Company’s Officers, whether for a particular General Meeting or for a period of time.
5. A defect in convening the General Meeting or in the conduct thereof, including a defect deriving from non-fulfillment of any provision or condition laid down in the Law or these Articles of Association, including with regard to the manner of convening or conducting the General Meeting, shall not invalidate any resolution adopted at the General Meeting and shall not affect discussions held thereat.
6. The provisions of these Articles of Association regarding General Meetings shall apply, *mutatis mutandis*, to any class meeting, provided that a quorum at a class meeting shall be constituted, at the meeting's commencement, in person or by proxy, through the presence of two Shareholders holding at least 25% of the number of issued shares of such class. However, if there is no quorum as aforesaid, the class meeting shall be adjourned to another date and any number of participants shall constitute a quorum at the Deferred Meeting, regardless of the number of shares held by them.

**Discussions at General Meetings**

1. Discussions at General Meetings may only commence if a legal quorum is present at the opening of the General Meeting. A legal quorum shall be constituted when two Shareholders are present in person or by proxy or voting card, including via the Electronic Voting System, holding at least twenty-five percent (25%) of the voting rights, within half an hour from the time set for the commencement of the Meeting.
2. Where there is no quorum present at the General Meeting within half an hour from the time scheduled for the commencement of the Meeting, the Meeting shall be postponed for one week, to be held on the same day, at the same time and in the same place, without there being an obligation to inform the Shareholders of such, or at a later time if indicated in the notice of the Meeting or to another date, time and place determined by the Board of Directors in a notice to the Shareholders.
3. A legal quorum at the Deferred Meeting shall be constituted when Shareholder/s is/are present in person or by proxy or voting card, including via the Electronic Voting System, holding at least twenty-five percent (25%) of the voting rights, within half an hour from the time set for the commencement of the Deferred Meeting. If a legal quorum is not in attendance at the Deferred Meeting after half an hour from the time scheduled for the Meeting, then the Deferred Meeting shall be held with any number of participants whatsoever.

If the General Meeting is convened at the demand of the Shareholders, the Deferred Meeting shall only take place if at least one or more Shareholders are present holding at least five percent (5%) of the issued capital and at least one percent (1%) of the voting rights in the Company, or one or more Shareholders holding at least five percent (5%) of the voting rights in the Company.

1. The Chairman of the Board, or, in his absence, the Deputy Chairman (if applicable), shall chair all the Company’s General Meetings. If there is no Chairman or Deputy Chairman of the Board of Directors, or if at any meeting none of them are present within 15 minutes from the time scheduled for the meeting to commence, or if they refuse to serve as the meeting's Chairman, those Directors present may, by a majority of votes between them, elect a Chairman from among themselves, failing which - the Shareholders present at the meeting in person or by proxy shall elect one of the Directors present to chair the meeting. In the absence of Directors or if all the Directors refuse to chair the meeting, they shall choose one of the Shareholders or their proxy to chair the meeting.
2. The Company shall keep minutes of the proceedings of the General Meeting, which shall include the following details:
   1. The names of the Shareholders participating in the General Meeting and the number of shares held by them;
   2. The matters discussed at the General Meeting and adopted resolutions;
3. Minutes signed by the meeting's Chairman shall constitute *prima facie* proof of the contents thereof.

**Shareholder Votes**

1. Confirmation of Ownership
   1. A Shareholder interested in voting at the General Meeting, shall prove their ownership of shares to the Company, in the manner that shall be determined in accordance with the Companies Law.
   2. An approved electronic message pursuant to Section 44(K)5 of the Securities Law, which refers to the particulars of the users of the Electronic Voting System – shall have the status of a confirmation of ownership with respect to any Shareholder included therein.
2. Subject to the provisions of the law, in the event of joint registered owners of a share, each owner may vote at any meeting, either personally or through proxy, with respect to such share, as if they were the sole party entitled to such. If more than one of the joint owners of a share voted, personally or through proxy, the party whose name appears first in the Shareholder Register, or on the ownership confirmation, or in another document which shall be established by the Board of Directors for this matter shall have their vote and opinion accepted with respect to such share.
3. Any person entitled to shares under Article 50 above may vote by virtue thereof at any General Meeting in the same manner as if they were the Registered Shareholder of those shares provided that they are recorded as the owner at least forty-eight hours prior to the time of the General Meeting or Deferred Meeting, as the case may be, in which they intend to vote.
4. Shareholders may vote at the General Meeting or at a class meeting, either personally or through a proxy, all in accordance with these Articles of Association and subject to the Companies Law. Proxies are not required to be Shareholders of the Company. Shareholders holding share warrants may not vote via proxies with respect to the shares included in the share warrants, unless stipulated otherwise in the share warrants.
5. The document appointing a proxy to vote (“**Letter of Appointment**”) shall be prepared in writing and shall be signed by the appointing party or a party authorized in writing for such purpose, and if the appointing party is a corporation, the Letter of Appointment shall be prepared in writing, and shall be signed in a manner binding the corporation; the Company may require to be provided with a written confirmation, to its satisfaction, prior to convening the General Meeting, of the authority of the signing parties to bind the corporation.

The Letter of Appointment and the power of attorney by virtue of which the Letter of Appointment was executed (if applicable) or a copy thereof, shall be deposited at the Registered Office or other place/s, in Israel or abroad - as determined by the Board of Directors from time to time, in general or with respect to a specific occasion - at least forty-eight hours prior to the commencement of the General Meeting or Deferred Meeting, as the case may be, in which the proxy intends to vote on the basis of such Letter of Appointment. Notwithstanding the foregoing, the Chairman of the Meeting may, at their discretion, accept said Letter of Appointment, during the meeting, if they find it correct to do so, in light of the circumstances which caused the delay with depositing the Letter of Appointment. If the Letter of Appointment, as set forth above in this Article, has not been received, it shall not be effective at such Meeting.

1. A proxy may participate in discussions at the General Meeting and be chosen to serve as Chairman of the General Meeting, just the same as the appointing Shareholder was entitled, provided that the Letter of Appointment does not stipulate otherwise.
2. The Letter of Appointment appointing a proxy shall be in the form regularly or customarily used in Israel or in any other form which shall be approved by the Board of Directors or the party authorized by it. The Letter of Appointment shall specify the General Meeting for which the Letter of Appointment has been issued. Notwithstanding the foregoing, a Registered Shareholder may grant a Letter of Appointment for either a fixed or unfixed period of time.
   1. The Letter of Appointment shall specify the class and number of shares for which it has been issued. If the Letter of Appointment does not specify the number of shares for which it has been given or if it specifies a number of shares greater than the number of shares registered to the Shareholder, the Letter of Appointment shall be deemed to have been given for all the shares of such Shareholder;
   2. If the Letter of Appointment has been given for a number of shares less than the number of shares registered to the Shareholder, the Shareholder shall be deemed to have abstained from voting for the balance of the shares registered to them and the Letter of Appointment shall be effective for the number of shares specified therein.
3. Without derogating from the provisions of these Articles pertaining to the appointment of a proxy, a Shareholder holding more than one share may appoint more than one proxy, subject to the following provisions:
   1. Each Letter of Appointment shall specify the class and number of shares for which it has been issued.
   2. If the total number of shares of any class specified in the Letters of Appointment issued by a single Shareholder exceeds the number of shares in that class registered to such Shareholder, all Letters of Appointment issued by such Shareholder shall be deemed null and void.
4. A Shareholder or proxy may vote by virtue of some of the shares owned by them or for which they are serving as proxy, and may vote by virtue of some of the shares in one manner and by virtue of some of the shares in another manner.
5. A vote cast by virtue of a Letter of Appointment shall be valid even if there was a defect with the Letter of Appointment and even if the appointing party passes away before the vote or is declared legally incompetent or if the Letter of Appointment is canceled or if the share for which the Letter of Appointment was granted is transferred, unless prior to the meeting, an official written notice regarding the defect, death, declaration of incompetence, cancelation, or transfer, as applicable, is received at the Registered Office. Notwithstanding the foregoing, the Chairman of the Meeting may, at their discretion, accept said notice, during the Meeting, if they find it correct to do so, in light of the circumstances which caused the delay with sending the notice.
6. Voting Card/Proxy Statement
   1. Shareholders may vote at the General Meeting through a voting card on the items specified below, unless the Company is entitled to a full or partial exemption by law from issuing voting cards or under particular circumstances.
      1. Appointment and termination of Directors;
      2. Appointment of an auditor;
      3. Approval of actions and transactions which require the approval of the General Meeting in accordance with Sections 255 and 268 - 275 of the Companies Law;
      4. A merger according to Section 320 of the Companies Law.
      5. Authorizing the Chairman of the Board of Directors or a related party to fulfill the position of General Manager or to exercise the General Manager’s authorities and to authorize the General Manager or a related party to fulfill the role of Chairman of the Board or to exercise the Chairman’s authorities, according to Section 121(c) of the Companies Law;
      6. Any other item stipulated by law or in these Articles of Association or by the Company’s Board of Directors.
   2. The Company’s Secretary, or the person authorized by the Company’s Board of Directors to convene the Meeting, may prepare the text of the voting card in accordance with the proposed resolutions on the agenda.
   3. A voting card delivered to the Company’s Registered Office at least four hours prior to the time scheduled for the General Meeting to commence, and not disqualified by a party authorized to do so by the Company’s Board of Directors, shall be deemed as participation and voting by the Shareholder who sent it, for all intents and purposes, including with respect to the legal quorum. Notwithstanding the foregoing, the Chairman of the Meeting may, at their discretion, accept said voting card during the meeting, if they find it correct to do so, in light of the circumstances which caused the delay with delivering the voting card.
   4. A voting card received by the Company as provided in this Article for which a particular item was not voted upon at the General Meeting, shall be deemed to have abstained from the resolution to defer the meeting and shall be tallied in the Deferred Meeting according to the vote specified therein.
   5. Voting in Multiple Ways

In accordance with Section 83(d) of the Companies Law, in the event that a Shareholder votes in more than one way, then their latest vote shall be counted. In this regard, a Shareholder voting in person or via a proxy shall be deemed later than voting by voting card.

102A. Voting via the Electronic Voting System

Unregistered Shareholders on the date of record may vote at a General Meeting through a voting card submitted to the Company via the Electronic Voting System.

A vote via the Electronic Voting System shall be permitted up to six hours prior to the time of the commencement of the General Meeting or by another time which may be determined by the Israel Securities Authority, provided that it does not exceed 12 hours or less than 4 hours prior to the time of the General Meeting (the “**System Lockout Time**”).

A vote via the Electronic Voting System may be changed or canceled up until the System Lockout Time, and it cannot be changed via the system after such time.

**Voting**

1. Each one of the Company’s Ordinary Shares confer upon the holder the right to participate in the Company’s General Meeting, and to exercise one vote per item.
2. A resolution which is up for vote at the General Meeting shall be determined through a tally of votes; votes shall be performed in the manner which shall be determined by the Chairman of the General Meeting.
3. A declaration made by the Chairman that a resolution of the General Meeting has been approved or rejected, either unanimously or with a particular majority, and a note recorded in the minutes of the General Meeting on such matter, shall serve as *prima facie* proof for that recorded therein, and there shall not be any need to prove the number of votes (or their respective portions), in favor or against the resolution.
4. Subject to the provisions of the Companies Law or the provisions of these Articles of Association regarding other majorities, resolutions at the General Meeting shall be adopted through a simple majority. In the event that the number of votes for and against is at a deadlock, the Chairman of the General Meeting shall not have an additional or casting vote. If votes are at a deadlock, the proposed resolution for which a Shareholder vote is being conducted shall be deemed to have been rejected.
5. The Chairman of the General Meeting may, with the agreement of a Meeting having a legal quorum, adjourn or postpone the discussion on a particular agenda item, to another time and place which shall be determined, and the Chairman shall be required to do so if requested by the General Meeting. At a Deferred Meeting, as said, only topics on the agenda of the Meeting which was postponed for which no resolution was adopted shall be discussed. There shall be no need to issue a notice about the Deferred Meeting unless it was deferred to a date more than twenty-one days later, and, in such case, notice shall be issued about the Deferred Meeting, as set forth above in Articles 82 and 83.

**The Board of Directors**

1. There shall be no less than three and no more than ten Directors.
2. The Directors shall be appointed at the Annual General Meeting through a simple majority.
3. The term of service of each Director appointed in accordance with Article 109 above, shall commence from the time of the Annual General Meeting at which they were appointed and shall conclude at the end of the General Meeting in which another Director is appointed in their place.
4. Deleted.
5. The Board of Directors may, from time to time, appoint a Director or additional Directors to the Company, whether to fill a directorship vacated for any reason whatsoever or whether as a Director or additional Director, provided that the total number of Directors not exceed the maximum number set forth above in Article 108. A Director appointed in the foregoing manner, save for an External Director, shall conclude their term of service at the completion of the Annual General Meeting to be held following their appointment, and may be reappointed.
6. The General Meeting or the Board of Directors may establish that the service of a Director appointed by them, as the case may be, shall commence on a date later than the date of the resolution of their appointment.
7. The General Meeting may, at any time, through a resolution passed with a simple majority, at an Extraordinary General Meeting, terminate the service of any Director appointed by it in accordance with the provisions of Article 109 above, excluding an External Director, prior to the completion of the term of their service, provided that the Director has been given reasonable opportunity to present their position to the General Meeting. Similarly, any General Meeting may, through a resolution adopted with a simple majority, appoint another person as a Director in place of the Director appointed in the manner set forth in Article 109 who was terminated, as said. A Director appointed in the foregoing manner, shall serve in their position until the completion of the General Meeting in which another Director is appointed to replace them.
8. Directors may resign through providing a notice to the Board of Directors, addressed to the Chairman of the Board of Directors, or to the Office, in the manner required under the Companies Law, and the resignation shall take effect on the date the notice is provided, unless a later date is specified in the notice. Directors shall provide the reasons for their resignation.
9. If a directorship has been vacated, the Board of Directors may continue to act at all times provided that the number of Directors is not less than the minimum number of Directors set forth above in Article 108. If the number of Directors is less than said number, the Board of Directors shall only be entitled to act to convene a General Meeting for the purpose of appointing additional Directors, but not for any other purpose.
10. Alternate Directors
    1. A Director may appoint a replacement for themselves (“**Alternate Director**”). Notwithstanding the foregoing, persons not qualified to be appointed as Directors, and persons serving as a Director of the Company or Alternate Directors for other Directors of the Company shall not be appointed or serve as an Alternate Director.
    2. Alternate Directors shall have the same status as the Director for whom they have been appointed as an Alternate Director, and they may attend Board and/or Board Committee meetings, participate and vote in them, the same as the Director who appointed them was able to do.
    3. A Director who has appointed an Alternate Director may, subject to the provisions of the Law, terminate the appointment at any time. Similarly, the position of the Alternate Director shall terminate at any time the position of the Director who appointed them as an Alternate Director has been vacated in any manner.
    4. Any appointment of an Alternate Director or termination of appointment, as set forth above, shall be done through a written notice issued by the appointing Director, sent to the Alternate Director and the Company.
    5. An Alternate Director shall not be entitled to receive a salary or payment for their service as an Alternate Director, unless decided otherwise in accordance with the Companies Law.
11. Officer as a Director
    1. Subject to the Companies Law, the holding of Company shares or the fact that a Company Officer is an interested party or Officer of another corporation, including a corporation in which the Company is an interested party or which is a Shareholder of the Company, shall not disqualify the Officer from serving as an Officer of the Company. Similarly, an Officer shall not be disqualified from serving as an Officer of the Company due to them or one of the aforementioned corporations executing an agreement with the Company on any matter and in any manner whatsoever.
    2. Subject to the provisions of the Companies Law, the fact that someone serves as an Officer of the Company shall not disqualify them and/or their relatives and/or any corporation in which they are an interested party, from entering transactions with the Company in which the Officer has a personal interest in any manner whatsoever.
    3. Subject to the provisions of the Companies Law, an Officer shall be entitled to participate in and vote on discussions regarding the approval of transactions or actions in which they have a personal interest.
12. Subject to the provisions of the Companies Law, the Directors shall be subject to the following provisions:
    1. The Company may pay Directors fees for holding office as Directors;
    2. The Company may pay Directors reimbursement of reasonable expenses incurred for travel, accommodation and other expenses connected to their participation in Board meetings and filling their positions as Directors.
    3. The Company may pay additional fees to a Director requested to provide the Company with special services or to exert special efforts for the Company.

**External Directors**

1. The election of External Directors to serve in the Company, their number, qualification requirements, period of service and termination, shall be in accordance with the provisions of the Companies Law.

**Authorities of the Board of Directors and its Functions**

1. The Board of Directors shall have all the authorities granted to it under these Articles, the Companies Law and under applicable law.
2. Without derogating from the provisions of these Articles of Association, the Board of Directors shall outline the Company’s policies and supervise the performance of the roles of the General Manager and their actions, including:
   1. Determine the Company’s working plan, principles for financing its operations and priorities between them;
   2. Examining the Company’s financial position, and determine the credit facility the Company may take;
   3. Establish the organizational structure and salary policy;
   4. Deciding to issue a series of bonds;
   5. Responsible for the preparation and approval of the financial statements, as provided in Section 171 of the Companies Law;
   6. Reporting to the Annual General Meeting on the state of the Company’s business affairs and the business results, as provided in Section 173 of the Companies Law;
   7. Appointing and terminating the Company’s General Manager and Officers;
   8. Deciding upon actions and transactions requiring approval under the Articles or the provisions of Sections 255 and 268 - 275 of the Companies Law;
   9. May allocate shares and securities that are convertible into shares up to the limit of the Company’s authorized share capital;
   10. May decide upon a distribution of dividends, as provided in Article 169 below;
   11. May recommend a distribution of bonus shares to the General Meeting;
   12. May decide upon a share purchase as defined in Section 1 of the Companies Law, as provided in Section 308 of the Companies Law, from all, some or particular Shareholders of the Company;
   13. Shall formulate an opinion on a special tender offer, as provided in Section 329 of the Companies Law;
   14. Shall decide upon actions and transactions requiring approval under the Articles or as decided upon by the Board of Directors. Such a decision by the Board of Directors may be made with respect to a particular matter and may be made as part of the Board’s procedures;
   15. Shall decide upon the Company’s signatory rights;
   16. The Board of Directors may recommend to the General Meeting to increase the Company’s share capital, create share classes, as may be determined by the Board of Directors and at its recommendation;
3. An authority of the Company that was not granted by law or these Articles to another organ may be exercised by the Board of Directors.
   1. The Board of Directors may adopt a resolution that it shall assume the authorities granted to the General Manager, all for a particular matter or particular period of time.
   2. Without derogating from the foregoing, the Board of Directors may instruct the General Manager how to act with respect to a particular matter. If the General Manager failed to heed the instruction, the Board of Directors may exercise the authority required to perform the instruction *in lieu* of the General Manager.
   3. If the General Manager is precluded from exercising their authorities, the Board of Directors may exercise such authorities *in lieu* of the General Manager.
4. Subject to the provisions of the Companies Law, the Board of Directors may delegate all or some of its authorities to the General Manager, one of the Company’s Officers, or to any other person. The delegation of a Board authority may be for a particular matter or particular period of time and may be general.

**Obtaining Credit and Providing Guarantees and Securities**

1. Without derogating from any authority granted to the Board under these Articles, the Board may, from time to time, in its discretion, decide:
   1. For the Company to obtain credit in any amount and guarantee its repayment in the manner it deems fit.
   2. To provide guarantees, collateral and securities of any kind.
   3. To issue a series of bonds including capital notes or debentures, including bonds, capital notes or debentures that are convertible or exercisable into shares, and to set their terms, and to pledge all or some of the Company’s property, current or future, via a floating or fixed charge. Bonds, capital notes, debentures or other securities, as said, if issued, may be issued at a discount, premium or in any other manner, with deferred or special rights and/or privileges and/or other rights, all as determined by the Board of Directors at its discretion.
2. That set forth above in Article 122 does not negate the authority of the General Manager or a person authorized by them for such purpose to decide for the Company to obtain credit and to provide guarantees and securities, within the limits of the credit facility determined by the Board and at its directive.

**Board Committees**

1. The Board of Directors may, as it sees fit, establish committees with two or more members, appoint the members thereof from the members of the Board of Directors, including at least one External Director (a “**Board Committee**”), and to delegate all or some of its authorities to the Board Committee, subject to the provisions of the Companies Law.
2. A resolution adopted or action performed by a Board Committee shall be deemed a resolution passed or action performed by the Board of Directors, unless explicitly stipulated otherwise by the Board of Directors, for a particular matter or with respect to a particular committee.

The Board of Directors may, from time to time, expand, reduce, or revoke the delegation of authorities to a Board Committee; however, such reduction or revocation of authorities shall not derogate from the validity of a resolution adopted by the Committee which the Company acted thereto towards another person not aware that it had been revoked.

Resolutions or recommendations of a Board Committee which require Board approval shall be brought to the attention of the Directors within a reasonable amount of time prior to being discussed by the Board of Directors.

A Board Committee shall provide the Board of Directors with regular reports regarding its resolutions or recommendations.

1. The provisions of these Articles of Association pertaining to actions performed by the Board of Directors, including convening Board Committees, the manner in which they shall be conducted and voting therein, shall also apply, *mutatis mutandis*, to the Board Committees, unless directives have been issued by the Board of Directors in such respect, all subject to the provisions of the Companies Law.
2. Audit Committee
   1. The Board of Directors shall appoint an Audit Committee from among its members. The Audit Committee shall not be comprised of less than three Directors permitted to serve therein in accordance with the Companies Law, all External Directors shall serve as members thereof and a majority of its members shall be Independent Directors.
   2. The functions of the Audit Committee shall be in accordance with that set forth in the Companies Law, including any other function imposed on it by the Board of Directors.

**Actions of the Board of Directors**

1. Subject to the provisions of these Articles of Association, the Board of Directors may convene in order to perform one of its roles and adjourn its meetings and regulate its actions and discussions as it sees correct.
2. The Board of Directors shall appoint one of its members to preside as Chairman of the Board (“**Chairman of the Board**”). The Board of Directors may remove the Chairman of the Board and appoint someone else in their place. The Board of Directors may appoint one or more of its members as Deputy Chairman, who shall serve as Chairman in the Chairman’s absence. The Board of Directors may determine the length of the term of service of the Chairman of the Board and Deputy Chairman.
3. The Chairman of the Board shall preside over and conduct meetings of the Board. If the Chairman of the Board is absent from a Board meeting, either through the provision of prior notice, or did not attend the Board meeting within 15 minutes from the time the meeting was scheduled to start (hereinafter: an “**absence**”), the Deputy Chairman (if any) shall preside over the meeting.

If both the Chairman of the Board and the Deputy Chairman are absent from the meeting then the members of the Board of Directors present shall choose one of themselves to serve as Chairman of the meeting. The Director chosen to preside over the meeting, as said, shall not have an additional vote.

1. The Board of Directors shall convene for meetings based on the needs of the Company, and at least once every three months.
2. The Chairman of the Board may convene the Board of Directors at any time and determine the time and place to hold the Board meeting.
3. Without derogating from the foregoing, the Chairman of the Board shall be required to convene a Board meeting upon the occurrence of any of the following:
   1. Receiving a request to convene a Board meeting from at least two Directors to discuss an agenda item described in their request;
   2. At the request of a single Director to convene the Board of Directors, in the event that Director has been made aware of a matter involving the Company, where there is an alleged violation of law or harm to the proper conduct of business;
   3. Receiving a notice or report from the General Manager in accordance with Section 122 of the Companies Law;
   4. Receiving a notice from the auditor of material deficiencies in the Company’s accounting oversight in accordance with Section 169 of the Companies Law.

Upon receiving said request, notice or report, the Chairman of the Board shall convene the Board of Directors, as soon as practicable and no later than 14 days from the date of the request or notice, as applicable.

In the event that a meeting of the Board of Directors is not convened within 14 days from the date of the request as stated in Articles 137.1 or 137.2 or from the date of the notice or report of the General Manager, as provided in Article 137.3 above, or from the date of the notice of the Company’s auditor as provided above in Article 137.4, two Directors requesting to convene a Board meeting under the circumstances provided for in Article 137.1, or one Director under the circumstances provided for in Article 137.2, or the General Manager under the circumstances provided for in Article 137.3, or the auditor under the circumstances provided for in Article 137.4 - may personally convene a meeting of the Board of Directors to address the matter specified in the request, notice or report, as applicable.

1. Notice of the Board of Directors Convening
   1. All members of the Board of Directors shall be provided with prior notice about the Board of Directors being convened to hold a meeting, a reasonable amount of time prior to the meeting (via letter, telegram, fax, email, by phone, orally or through any other form of communication), but no less than 48 hours prior to the time scheduled for the meeting.
   2. Notwithstanding the foregoing, the Board of Directors may, in urgent cases, and with the agreement of the majority of the Directors, convene a meeting with the provision of shorter notice.
   3. An Alternate Director is not entitled to receive notice of a Board meeting.
   4. Notice of a Board of Directors meeting shall be sent to the Director’s address provided earlier to the Company unless the Director requested for the notice to be sent to them at a different place. A Director who is a resident of Israel, abroad at the time that notice is given about convening a Board meeting shall not be entitled to receive a notice about the convention of the Board meeting, however, if they have appointed an Alternate Director, then notice of the meeting should be given to the Alternate Director.
2. The agenda of Board meetings shall be determined by the Chairman of the Board, and shall include:
   1. Agenda items established by the Chairman of the Board;
   2. Agenda items established in the manner set forth above in Article 137.
   3. Any matter that a Director or the General Manager has requested to include on the agenda from the Chairman of the Board, a reasonable time before the meeting of the Board of Directors is convened (the “**Agenda**”).
3. The notice about the convening of a Board meeting shall specify the time and place the meeting shall be held and a reasonable description of the topics which shall be discussed in the meeting, according to its Agenda.
4. The legal quorum to open Board meetings shall be constituted through the attendance of half the Board members serving at the time of the meeting.

The Board of Directors may determine a different legal quorum to open a Board meeting.

1. Voting and Adopting Resolutions
   1. Each Director shall have one vote when voting on the Board of Directors;
   2. Board resolutions shall be adopted through a majority of votes of Directors present and voting at a meeting, excluding abstentions;
   3. The Chairman of the Board shall not have an additional vote;
   4. If votes are at a deadlock, the proposed resolution being voted upon by the Board shall be deemed to have been rejected.
2. The Board of Directors may hold meetings through use of any means of communications, provided that all of the Directors participating are able to hear each other simultaneously. The Board of Directors may regulate the manner that meetings shall be conducted through means of communication.
3. The Board of Directors may pass resolutions without actually convening, provided that all of the Directors eligible to participate in the discussion and vote on a matter put to vote have agreed. The provisions of Articles 141 and 142 above shall apply, *mutatis mutandis*, to this kind of resolution, as applicable.

In the event that a resolution was adopted, as provided above, the Chairman of the Board, or in the Chairman’s absence the Director who initiated the resolution, shall draft minutes including the resolution and shall attach the signatures of all Directors, as provided above.

1. Any Board of Directors meeting with a legal quorum present shall have all the powers and authorities given to the Board of Directors at such time.

**Minutes**

1. The Board of Directors shall be responsible for drafting minutes detailing the proceedings in the Board meetings; the minutes shall be maintained in designated files and shall, *inter alia*, include the following details:
   1. The names of the Directors participating in and the other persons present at each Board meeting;
   2. The items discussed at the Board meetings and the resolutions which were adopted;

All minutes shall be signed by the Chairman of the Board or by the Chairman of the Meeting, as applicable;

Minutes which have been approved and signed in the foregoing manner shall serve as *prima facie* proof of that set forth therein.

1. The provisions of Article 146 above shall also apply to each Audit Committee meeting and written Board resolutions adopted in the manner set forth above in Articles 143 and 144.

**The General Manager**

1. The Board of Directors may, from time to time, appoint a General Manager over the Company, and it may appoint more than one General Manager (each of them shall be referred to as - the “**General Manager**”). The Board of Directors may also terminate the General Manager or their replacement at any time it sees fit, subject to the provisions of their contract with the Company.
2. The General Manager is not required to be a Shareholder of the Company and is not required to be a Director.
3. The General Manager shall be responsible for the ongoing management of the Company’s affairs within the policies established by the Board of Directors and subject to its instructions.
4. The General Manager shall have all of the managerial and executive powers that are not granted under the provisions of the Law or these Articles of Association or by virtue thereof, including under a Board resolution, to another organ of the Company, save for authorities which, as said, shall be transferred from the General Manager to the Board of Directors, in accordance with the Article 124 above (if applicable); the General Manager shall be subject to the supervision of the Board of Directors and its directives.
5. Subject to the provisions of the Companies Law and the provisions of these Articles of Association, the Board of Directors may, from time to time, grant the General Manager some of the authorities held by the Board of Directors under these Articles, as it deems correct, and it may delegate these authorities for a defined period of time, for the objectives, under particular conditions and restrictions as determined by the Board of Directors; and the Board of Directors may grant these authorities, either with or without waiving its right to them or in their place, in whole or in part, and it may, from time to time, cancel, revoke and change all or some of these authorities.
6. The General Manager may, with the approval of the Board of Directors, delegate any of their authorities, to any third-party/ies, who report to them; such approval may be given as a general approval or for a particular matter.
7. Without derogating from the provisions of the Companies Law and any applicable law, the General Manager shall report to the Board of Directors on topics, at the times and in the scope determined by the Board of Directors, either with respect to a particular resolution or within the framework of the Board’s procedures.
8. The General Manager’s terms of service shall be determined by the Board of Directors, subject to the provisions of the Companies Law. The General Manager’s fees may be paid as a salary or in the form of commissions or profit-sharing or through granting securities or the right to acquire them, or in any other manner.

**Validity of Actions and Approval of Transactions**

1. All actions performed by the Board or by one of the Board Committees or by any person acting as a Director or as a member of a Board Committee or by the General Manager, as the case may be, shall be effective regardless of any defect later discovered in the appointment of the Board, the Board Committee, or any of the Directors who are members of the Committee or the General Manager, as the case may be, or if any of these Officers were not eligible to hold their positions.
2. Subject to the provisions of the Companies Law, a general notice issued to the Company by an Officer or Controlling Shareholder of the Company, pertaining to them having a personal interest in a particular entity, shall constitute disclosure of that Officer or Controlling Shareholder to the Company of their personal interest, as said, for purposes of any engagement with such body in a non-exceptional transaction.

**Signing on Behalf of the Company**

1. Subject to the provisions of the Companies Law and these Articles, the Board may authorize any person to act and sign on behalf of the Company, either alone or jointly with another person, in general or for specific matters.
2. The Company shall have a stamp bearing the Company’s name. The signing of any document shall only bind the Company if signed by its authorized signatories together with the Company’s stamp or printed name.

**Appointing Agents and Representatives**

1. The Board of Directors may, from time to time, appoint a Company Secretary, and Officers, employees and functionaries as the Board of Directors sees fit from time to time, and the Board of Directors may terminate the services of each one of these persons at any time at its sole discretion. The Board of Directors may determine the authorities, roles and terms of employment of any person appointed, as said, and their fees or salary.
2. Subject to the provisions of the Companies Law, the Board may, at any time, appoint any person to serve as a representative of the Company for such purposes and with such powers, authorities and discretions and for such a period of time and subject to such terms as the Board deems fit.

The Board may authorize such person, *inter alia*, to fully or partially delegate to others the powers, authorities and discretions delegated to that person.

# Release, Indemnification and Insurance

1. Subject to the provisions of the Companies Law, the Company may release an Officer thereof from liability, in whole or in part, for any damage resulting from a breach of the duty of care. The waiver shall not apply to a resolution or transaction where any of the Company’s Controlling Shareholders or Officers have a personal interest therein.
2. Subject to applicable law, the Company may engage in an Officer’s liability insurance contract for liability imposed on it due to an act it performed in their capacity as an Officer, in each of the following:
   1. Breach of duty of care towards the Company or towards another person;
   2. Breach of fiduciary duty towards the Company, provided that the Officer acted in good faith and had reasonable grounds to believe that the act would not harm the Company;
   3. Financial liability to be imposed on the Officer in favor of another person;
   4. Payment to the victim of a violation under Section 52BBB(a)(1)(a) of the Israel Securities Law, 1968 (the “**Securities Law**”);
   5. Expenses incurred by the Officer with a proceeding being conducted with respect to them under Chapter H-3 (imposition of a financial penalty by the Authority), H-4 (imposition of administrative enforcement tools by an administrative enforcement committee) or I-1 (arrangement for prevention of the institution of proceedings or for the cessation of proceedings, that is subject to terms and conditions) of the Securities Law, as amended from time to time, including reasonable litigation costs, and including attorney fees.
   6. Any other event for which liability of Officers may be insured, currently and/or in the future.
   7. Subject to the provisions of the Law, the Company may enter into an insurance contract for any person who is currently or who formerly served on behalf of the Company or at its request as an Officer of a subsidiary and/or affiliate of the Company and/or in any other company or corporation (the “**Officer of an Affiliated Company**”), due to a liability or expense specified above in these Articles of Association regarding an exemption, indemnification or insurance, imposed on them due to an action they performed by virtue of them being an Officer of an Affiliated Company.
3. Subject to applicable law:
   1. The Company may give an advance undertaking to indemnify an Officer thereof, for an obligation or expense as detailed in Article 165 above, which may be imposed on them or which they may incur as a result of an action performed by virtue of them being an Officer thereof, in any one of the following cases (hereinafter: **“Indemnity Undertaking”**):
      1. As stipulated below in Article 165.1, and provided that the Indemnity Undertaking is limited to events that in the Board of Directors' opinion are foreseeable in light of the Company's actual activity at the time of giving the Indemnity Undertaking and for an amount or criteria that the Board of Directors' has determined is reasonable under the circumstances, and that the Indemnity Undertaking stipulates the events that in the Board of Directors' opinion are foreseeable in light of the Company's actual activity at the time of giving the undertaking and the amount or criteria that the Board of Directors' has determined is reasonable under the circumstances.
      2. As detailed in Articles 165.2, 165.3, 165.4 or 165.5 below.
   2. Without derogating from that set forth above in Article 164.1, the Company may indemnify an Officer *post factum*, for any liability or expenditure as set forth below in Article 165, imposed on the Officer due to an act done by them in their capacity as an Officer.
4. An Indemnity Undertaking or indemnity, as provided above in Article 164, may be given for an obligation or expense as provided in Articles 165.1 to 165.6 below, that was imposed on the Officer or incurred by them as a result of an act done in their capacity as an Officer of the Company, as follows:
   1. A financial liability imposed on the Officer in favor of another person pursuant to a judgment, including a judgment handed down in a settlement or an arbitral award approved by the court;
   2. Reasonable litigation expenses, including attorney fees, which the Officer incurred due to an investigation or a proceeding conducted against them by an authority authorized to conduct an investigation or proceeding, and which ended without an indictment being filed against the Officer and without the Officer being imposed financial liability as an alternative to criminal proceedings, or which ended without an indictment being filed against them but with the Officer being imposed financial liability as an alternative to criminal proceedings in an offense which does not require proof of *scienter*, or in connection with financial sanctions (“conclusion of a proceeding without filing an indictment in a matter in which a criminal investigation was opened” and “financial liability as an alternative to criminal proceedings” are as defined in Section 260 of the Companies Law).
   3. Reasonable litigation expenses, including attorney fees, incurred by the Officer or imposed on them by court in a proceeding filed against them by the Company or on its behalf or by another person, or with respect to a criminal charge of which they were acquitted, or with respect to a criminal charge of which they were convicted of an offense which does not require proof of *scienter*.
   4. Due to payment to the victim of a violation under Section 52BBB(a)(1)(a) of the Securities Law.
   5. Due to expenses incurred by the Officer with a proceeding being conducted with respect to them under Chapter H-3 (imposition of a financial penalty by the Authority), H-4 (imposition of administrative enforcement tools by an administrative enforcement committee) or I-1 (arrangement for prevention of the institution of proceedings or for the cessation of proceedings, that is subject to terms and conditions) of the Securities Law, as amended from time to time, including reasonable litigation costs, and including attorney fees.
   6. Any other obligation or expense for which it is and/or shall be permitted to indemnify an Officer.
5. The Company may not enter into a liability insurance contract for its Officers, and may not indemnify its Officers or release its Officers from liability to it in each one of the following cases:
   1. A breach of a fiduciary duty, save for indemnification and insurance for a breach of a fiduciary duty to the Company where the Officer acted in good faith and had a reasonable basis to believe that the action would not harm the interests of the Company;
   2. A breach of a duty of care that was done intentionally or recklessly, but not if done with negligence alone;
   3. An action taken with the intent to generate unlawful personal gain;
   4. A penalty, civil penalty or fine imposed on the Officer.
   5. Direct or indirect insurance of a proceeding under Chapter H-3 (“imposition of a monetary sanction by the Authority”), Chapter H-4 (“imposition of administrative enforcement tools by the enforcement committee”), and/or Chapter I-1 (“conditional arrangement for the avoidance of proceedings or termination of proceedings”) of the Securities Law.
6. Subject to the provisions of the Companies Law:
   1. The Company may provide a prior undertaking to indemnify any person who is currently or who formerly served on behalf of the Company or at its request as an Officer of a subsidiary and/or affiliate of the Company and/or in any other company or corporation (the “**Officer of an Affiliated Company**”), due to a liability or expense specified above in Article 165, imposed on them due to an action they performed by virtue of them being an Officer of an Affiliated Company, provided that the undertaking be limited to kinds of events which the Board of Directors is of the opinion can be anticipated at the time the indemnification undertaking is being given, and for an amount the Board of Directors has determined is reasonable under the circumstances.
   2. Without derogating from that set forth above in Article 164.1, the Company may indemnify an Officer of an Affiliated Company *post factum*, for any liability or expenditure as set forth above in Article 165, imposed on the Officer due to an act done by them in their capacity as an Officer of an Affiliated Company;
7. The above provisions do not and shall not be construed to limit the Company in any manner whatsoever with respect to it entering an insurance contract for liability and/or with respect to indemnification and/or with respect to release from liability, with respect to any person who is not one of the Company’s Officers or with respect to Officers of an Affiliated Company, including the Company’s employees, contractors or advisors.

**Dividends, Funds, Bonus Shares and Capitalization of Funds and Profits**

1. The Board of Directors may and is authorized to resolve to distribute dividends.
2. In its resolution to distribute dividends, the Board may decide that the dividends shall be paid, in whole or in part, in cash or in kind, including in securities or any other way.
3. Dividends of less than ILS 5 shall not be paid, unless determined otherwise by the Board of Directors.
4. The Board of Directors may, prior to making a decision to distribute a dividend as per Articles 169 and 170 above, set aside any amount it deems fit out of the Company’s profits to a general or reserve fund or other funds which shall be used at the Board’s discretion for any purposes or for a special dividend or dividend equalizer, or for any other purposes, as determined by the Board in its discretion. Similarly, the Board of Directors may leave profits with the Company which it does not intend to distribute, without transferring such profits to the aforementioned funds.
5. Until making use of these funds, the Board may invest the aforementioned sums set aside and the sums allocated to the funds, in any investment it deems fit, handle, change or make any other use of such investment, and may divide the reserve fund into special funds and use any fund or part thereof in the operation of the Company’s business without holding it separately from the Company’s other assets, all at the Board’s discretion and under conditions prescribed by the Board.
6. In order to execute a resolution regarding the distribution of a dividend or the allotment of bonus shares, as stated above, the Board of Directors may:
   1. Resolve any difficulty arising in such regard as it sees fit and take any measures it deems appropriate in order to overcome such difficulty.
   2. Issue certificates for share fractions or decide that fractions or fractions below a certain threshold determined by the Board of Directors shall not be taken into account when adjusting the rights of the Shareholders or to sell share fractions and to pay the (net) consideration to the persons entitled to them.
   3. To sign on behalf of the Shareholders any contract or other document required to give validity to any allotment and/or distribution, and especially to execute and submit for registration a written document as provided in Section 291 of the Companies Law.
   4. To determine the value of certain assets which shall be distributed and to decide that payments in cash shall be paid to the Shareholders on the basis of the determined value.
   5. To allocate certain funds or assets to escrow agents/trustees in favor of the persons entitled to them, as the Board of Directors deems appropriate under the circumstances.
   6. To enter any arrangement or create any order required in the view of the Board of Directors to allow the allotment or distribution, as applicable.
7. Dividends or other benefits for shares shall not bear interest or linkage differentials of any kind.
8. The Board of Directors may withhold any dividend or bonus share or other benefits for a share whose consideration, in whole or in part, was not paid to the Company, and to collect any amount or consideration obtained from selling any bonus share or other benefit on account of the debts or liabilities for such share irrespective of whether the share is owned solely by the debtor Shareholder or jointly with other Shareholders.
9. The Board of Directors may withhold any dividend or bonus share or other benefit for a share to which a person is entitled to be recorded as owner in the Shareholder Register or is entitled to be transferred under Article 50 above, until that person is recorded as owner of such share or until it has been duly transferred.
10. The Board may determine, from time to time, the manner of payment of dividends or allotment of bonus shares and all related arrangements in this respect, concerning both Registered Shareholders and Unregistered Shareholders as well as regarding Shareholders holding a share warrant. Without prejudice to the foregoing, the Board of Directors may make the following determinations:
11. Subject to that set forth below in sub-article (b), dividends or cash distributed to Registered Shareholders shall be paid to the Registered Shareholder by sending a check by mail to their address as recorded in the Shareholder Register, or for jointly Registered Shareholders to the person whose name appears first in the Shareholder Register with respect to such share. The Registered Shareholder shall assume the risk for the delivery of such check. The Board of Directors may determine that a dividend payment below a certain threshold determined by the Board shall not be sent by check;
12. The Board may determine that the payment shall take place in the Office or any other place determined by the Board.
    1. Dividends distributed to Unregistered Shareholders shall be paid to these Shareholders via the Nominee Company or in any other way determined by the Board.
13. The Board may invest an unclaimed dividend after it has been declared or use it in another manner for the benefit of the Company until claimed. Dividends not claimed for seven years after having been declared shall be deemed to have been waived by the person entitled thereto and they shall be returned to the Company.
    1. For the purposes of Article 178 above, the Board of Directors may, but is not obligated, at its discretion, to issue to trustees or nominee entities appointed by them for this purpose, the securities which are required to be issued to the holders of share warrants and to issue to said trustees or nominee entities instructions regarding said securities, all at the discretion of the Board of Directors. Each issuance, as said, shall be deemed to have been duly made to the holders of the share warrants, and any and all actions by said nominee entities or trustees shall be effective and bind the holders of the share warrants.
    2. Without derogating from that set forth above in Article 180.1, in order to locate the Shareholders holding share warrants and entitled to benefits for said shares, the Company shall publish a notice regarding the distribution in a daily newspaper published in Israel in the Hebrew language. Such a notice shall include details regarding the resolution and the manner that the benefits shall be distributed and the slip number which is required to be presented in order to receive the benefits. Upon presenting the required slip and submitting it at the place stipulated in the notice, the party submitting the slip shall be entitled to the benefits deriving from the distribution pro-rated according to the number of shares included in the share warrant associated with the slip.
    3. In addition to the foregoing, the Board of Directors may establish in the notice a date which shall not be less than six months from the date of it first being published in the newspaper, following which any distributed security or other asset which is unclaimed, shall be sold by the trustees or nominee entities, and any person who may appear after such date and present the slip stated in the notice shall only be entitled to receive the net proceeds from the sale of the securities or assets, as applicable, and the interest accrued in such respect.
    4. The Company, the trustees or the nominee entities may recognize the absolute right of the person who presents the slip stipulated in the notice in the foregoing manner, to all the benefits deriving from the distribution and which refer to the shares included in the share warrant, associated with the slip, and submission of the slip will be a full release for the Company, trustees or nominee entities to issue the distributed securities or pay the proceeds for the sale thereof to the party presenting the slip, as applicable.

**Company Documents**

1. The Shareholders shall have a right to review the Company’s documents listed in Section 184 of the Companies Law, provided that the conditions stipulated therein have been satisfied.
2. Without derogating from that set forth above in Article 181, the Board of Directors may, at its discretion, decide to grant a right to review the Company’s documents, or part thereof, including to all or some of the Shareholders, as it sees fit.
3. The Shareholders shall only have the right to review the Company’s documents or any part thereof if they have been granted said right under the Companies Law or under these Articles or if the Board of Directors has allowed them to do so as provided above in Article 182.
4. Subject to the provisions of any applicable law, any file, register or record the Company is obligated to maintain under law or these Articles may be maintained by technical, mechanical or other means as determined by the Board.

**Financial Statements**

1. The Company’s financial statements shall be approved by the Board and executed by the person authorized to do so by the Board of Directors and as required under applicable law.

**Internal Auditor**

1. The Board of Directors of the Company shall appoint an internal auditor to the Company at the proposal of the Audit Committee.
2. The Chairman of the Board or General Manager, as determined by the Board, shall supervise the internal auditor. Unless determined otherwise by the Board, the Chairman of the Board shall supervise the internal auditor.
3. The internal auditor shall submit for the approval of the Board or the Audit Committee, as determined by the Board, a proposed annual or periodic workplan and the Board or Audit Committee, as the case may be, shall approve it subject to changes they deem fit. Unless determined otherwise by the Board, the workplan shall be submitted to and approved by the Board.

**Auditor**

1. An auditor shall be appointed at each Annual General Meeting and shall hold such role until the end of the following Annual General Meeting.

Notwithstanding the foregoing, the General Meeting may appoint an auditor for a longer period that shall not exceed the end of the third Annual General Meeting following the one in which they were appointed, as the case may be.

1. Where an auditor was appointed to the Company, as provided for in Article 189 above, the Board, at its discretion, shall determine their fees for the audit actions.
2. The Board shall determine the auditor’s fee for additional services to the Company outside audit.

**Notices**

1. Delivery of notices or documents to Shareholders (including the Nominee Company) under the provisions of the Law or these Articles shall take place in one of the manners stipulated in this Chapter below:
   1. Notice of General Meetings shall be issued in the manner set forth above in Article 82.
   2. Without derogating from the foregoing, the Company may deliver a notice or document to a Shareholder by hand or by fax or by sending it in the mail or by email; mail shall be delivered to the Shareholder’s address recorded in the Shareholder Register and if no address is recorded, to the address they provided to the Company for sending notices.
   3. Notices sent via fax shall be sent to the Shareholder to the fax number they provided the Company.
   4. Notices sent via email shall be sent to the Shareholder to the email address they provided the Company.
2. Notices or documents sent to a Shareholder shall be considered delivered on the date on which they were delivered to them. Notices or documents sent by mail shall be considered duly delivered if dispatched from the post office with the correct address and duly stamped. Delivery shall be deemed to have taken place at the time the letter would have ordinarily been delivered by the postal service, no more than three days from when the letter containing the notice was delivered to the post office. Notices sent via fax or email shall be considered to have been delivered twenty-four hours following transmission.
3. The foregoing should not be construed to impose any duty on the Company to deliver notices to a Shareholder who did not provide a mailing address.
4. Without derogating from the foregoing, the Company may deliver notices to Shareholders by publishing the notice once in two daily newspapers published in Israel, in the Hebrew language, both in addition to and *in lieu* of sending the notice as per Article 192 above. The newspaper publication date shall be deemed the date on which the notice was received by the Shareholders.
5. The Company may announce the delivery of a document at its Office or any other place as determined by the Board or in any other way including via the internet.
6. The Company may deliver a notice to joint owners of a share by sending them to the partner whose name appears first in the Shareholder Register with respect to that share.
7. Delivery of a notice or document to a family member living with the person to whom the notice or document is intended shall be considered to have been delivered to that person.
8. Any person entitled to a right to any share by law, by transfer or otherwise shall be bound by any notice with respect to such share delivered to the person from whom their right to the share originated before their details were recorded in the Shareholder Register.
9. Any document or notice delivered to a Company Shareholder under the provisions of these Articles shall be considered duly delivered notwithstanding the death, bankruptcy, or liquidation of such Shareholder, or assignment of their right to the shares, by law (irrespective of whether the Company was aware of such) as long as another party has not been recorded in their place as Shareholder; and such delivery shall be considered, for all intents and purposes, to suffice with respect to any person who has an interest in such shares and/or is eligible to them under assignment of right, under law, whether jointly with such Shareholder or by virtue of them or in their stead.
10. Subject to the provisions of any applicable law, a Shareholder, Director or any other person entitled to receive notices under these Articles or under applicable law may waive their right to receive notice either before after the fact, generally or in a particular instance, and once they have done so it shall be considered as if the notice was duly delivered, and any procedure or action for which the notice was required to be provided shall be considered valid and effective.
11. A signed confirmation by a Company Director or the Company’s Secretary that a document or notice was sent in any of the manners stipulated in these Articles, shall be considered conclusive proof with respect to any detail included therein.
12. Whenever prior notice of a particular number of days is required to be provided or a notice is effective for a particular period - the date of delivery shall be counted in the number of days or period, unless stipulated otherwise. Where a notice has been issued in more than one of the manners described above it shall be deemed to have been received on the earliest date on which it is considered to have been delivered, as set forth above.

**Merger**

1. Subject to the provisions of the Law, the majority required for a resolution of the General Meeting to engage in a merger is a simple majority.

**Liquidation**

1. In the event of liquidation of the Company, either under voluntary liquidation or in any other manner, the Company’s surplus assets after repaying its liabilities shall be distributed between the Shareholders, pro-rated to their holdings in the Company’s outstanding share capital at the commencement of the liquidation.

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