

Exhibit A

Amended and Restated Registration Rights Agreement

This Second Amended And Restated Registration Rights Agreement (the “**Agreement**”), dated February 11, 2019, is entered into by and among Camtek Ltd. (the “**Company**”), Priortech Ltd. (“**Priortech**”) and Chroma ATE Inc. (“**Chroma**”) (each a “**Party**” and collectively the “**Parties**”).

WITNESSETH:

- WHEREAS** The Company and Priortech previously entered into a Registration Rights Agreement, dated March 1, 2004, which was approved by the Company’s shareholders at a general meeting held on March 29, 2004 (the “**Registration Rights Agreement**”), regarding the registration rights of Priortech with respect to the Ordinary Shares (as defined below) held by it; and
- WHEREAS** The Company and Priortech have since entered into that certain Amended and Restated Registration Rights Agreement (the “**First Amended and Restated RRA**”) on December 30, 2004; and
- WHEREAS** On May 13, 2015, the Company and Priortech signed on an Extension to the First Amended and Restated RRA (the “**Extension**”), which extended the term of the First Amended and Restated RRA for an additional period of five years, ending on December 31, 2019; and
- WHEREAS** On the date hereof, the Company and Chroma entered into that certain share purchase agreement (the “**SPA**”), and Priortech and Chroma entered into that certain share transfer agreement (the “**STA**”), pursuant to which, as of the date hereof, Priortech and Chroma are considered jointly as the “controlling shareholders” in the Company, within the meaning prescribed under the Israeli Companies Law, 5759-1999 (the “**Companies Law**”); and
- WHEREAS** The Company and Priortech wish to enter into this Agreement, together with Chroma as Party hereto, such that this Agreement shall replace the First Amended and Restated RRA and Extension, as further detailed below, subject to approval of the Company’s shareholders and to the closing of the SPA and STA;

NOW, THEREFORE, in consideration of the mutual promises and covenants hereinafter set forth, the Parties hereby agree as follows:

1. **Definitions.** As used herein, the following terms have the following meanings:

“**Demanding Holder**” means a holder of Ordinary Shares (other than a Holder) whose exercise of a demand registration right is the cause of the relevant registration.

“**Effective Date**” means the date on which this Agreement shall be approved by the Company’s shareholders as required by the Companies Law.

“**Form F-3**” means Form F-3 under the Securities Act, as in effect on the date hereof or any registration form under the Securities Act subsequently adopted by SEC which permits inclusion or incorporation of substantial information by reference to other documents filed by the Company with the SEC.

“**Holder**” means Priortech or Chroma and any subsequent holder of outstanding Registrable Shares acquired directly or indirectly from Priortech or Chroma and to whom registration rights have been assigned by Priortech or Chroma hereunder, and any holder of rights to acquire such Registrable Shares directly or indirectly from Priortech or Chroma to whom registration rights have been assigned by Priortech or Chroma hereunder.

“**Initiating Holders**” means Holders holding in the aggregate at least (a) for the purposes of Section 3 below, fifteen percent (15%), or (b) for the purposes of Section 4 below, three percent (3%) of the Registrable Shares then outstanding and not previously registered pursuant to this Agreement.

“**Ordinary Shares**” means ordinary shares, nominal value NIS 0.01 per share, of the Company.

“**Register**”, “**registered**” and “**registration**” refer to a registration effected by filing a registration statement in compliance with the Securities Act, or the equivalent actions under the laws of another jurisdiction.

“**Registrable Shares**” means (i) all Ordinary Shares held by Priortech or Chroma on the date hereof, and (ii) any Ordinary Shares issued as (or issuable upon the conversion or exercise of any warrant, right or other security which is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of, the Ordinary Shares described in clause (i) above; excluding, in all cases, however, any Registrable Shares transferred in a transaction in which registration rights under this Agreement are not assigned in accordance with this Agreement; provided, however, that Ordinary Shares or other securities shall only be treated as Registrable Securities if and so long as they have not been sold to or through a broker or dealer or underwriter in a public distribution or a public securities transaction.

“**SEC**” means the U.S. Securities and Exchange Commission.

“**Securities Act**” means the U.S. Securities Act of 1933, as amended.

2. Incidental Registration.

- 2.1. If (but without any obligation to do so) the Company at any time proposes to register any of its securities (other than: (i) in a demand registration under Section 3 of this Agreement, (ii) a registration relating solely to the sale of securities to participants in a Company benefit plan, (iii) a registration relating to a corporate reorganization or other transaction described under Rule 145 of the Act, or (iv) a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Shares), it shall give notice to the Holders of such intention. Upon the written request of any Holder given within fourteen (14) days after receipt of any such notice, the Company shall include in such registration all of the Registrable Shares indicated in such request, so as to permit the disposition of the shares so registered.
- 2.2. In connection with any offering involving an underwriting of shares of the Company’s share capital, the Company shall not be required under this Section 2 to include any of the Holders’ securities in such underwriting unless they accept the terms of the underwriting as agreed upon between the Company and the underwriters selected by it (or by other persons entitled to select the underwriters) and enter into an underwriting agreement in customary form with an underwriter or underwriters selected by the Company and such other agreements as the underwriter(s) may reasonably request. Notwithstanding any other provision of this Section 2, if the managing underwriter advises the Company in writing that marketing factors require a limitation of the number of shares to be underwritten, then there shall be excluded from such registration and underwriting to the extent necessary to satisfy such limitation, first, shares held by shareholders other than the Demanding Holders; second, to the extent necessary, shares held by shareholders with incidental registration rights (on a pro rata basis to their respective holdings); third, shares registered by the Demanding Holders (on a pro rata basis); and lastly, shares offered by the Company.

2.3. The Company shall have the right to terminate or withdraw any registration initiated by it under this Section 2 prior to the effectiveness of such registration whether or not any Holder has elected to include securities in such registration. The expenses of such withdrawn registration shall be borne by the Company in accordance with Section 6 below.

3. **Demand Registration.**

3.1. At any time following the Effective Date, the Initiating Holders may request in writing that all or part of the Registrable Shares shall be registered under the Securities Act. Any such demand must request the registration of shares with an anticipated aggregate offering price of at least five million United States dollars (\$5,000,000). Within thirty (30) days after receipt of any such request, the Company shall give written notice of such request to any other Holders, if any, and shall include in such registration all Registrable Shares held by all such Holders who wish to participate in such demand registration and provide the Company with written requests for inclusion therein within fourteen (14) days after the receipt of the Company's notice. As promptly as practicable thereafter, subject to Section 8.1 hereof, the Company shall effect the registration of all Registrable Shares as to which it has received requests for registration under the Securities Act in the request for registration; provided, however, that the Company shall not be required to effect any registration under this Section 3 within a period of ninety (90) days following the effective date of a previous registration.

3.2. If the Initiating Holders intend to distribute the Registrable Shares covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to Section 3.1 above and the Company shall include such information in the written notice referred to in Section 3.1. In such event the right of any Holder to include its Registrable Shares in such registration shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Shares in the underwriting (unless otherwise mutually agreed by a majority in interest of the Initiating Holders and such Holder) and such other agreements as such underwriter(s) shall reasonably request. All Holders proposing to distribute their securities through such underwriting shall enter into an underwriting agreement in customary form with the underwriter. Notwithstanding any other provision of this Section 3, if the managing underwriter advises the Company that marketing factors require a limitation of the number of shares to be underwritten, then the Company shall so advise all Holders of Registrable Shares that would otherwise be underwritten pursuant hereto, and there shall be excluded from such registration and underwriting, to the extent necessary to satisfy such limitation, first, shares held by shareholders other than the Holders; second, to the extent necessary, shares which the Company may wish to register for its own account, and thereafter, to the extent necessary, Registrable Shares held by the Holders (pro rata to the respective number of Registrable Shares held by the Holders participating in the registration). Any Registrable Shares excluded or withdrawn from such underwriting shall be withdrawn from the registration.

4. **Shelf Registration.**

4.1. The Company shall, at the request of the Initiating Holders, file a registration statement on Form F-3 pursuant to Rule 415 under the Securities Act with the SEC for the sale of all the Registrable Shares requested to be included in the registration statement (a "**Shelf Registration**"), and the Company will maintain the effectiveness of each such registration statement, and shall use its reasonable commercial efforts to keep such registration statement continuously effective under the Securities Act until all Registrable Shares covered by such registration statement have been sold or may be sold without volume restrictions pursuant to Rule 144(k) as determined by the counsel to the Company pursuant to a written opinion letter to such effect, addressed and acceptable to the Company's transfer agent and the affected Holders.

Notwithstanding the aforesaid or any other provision to the contrary in this Agreement, with respect to underlying Registrable Shares held by Priortech or Chroma but which other Holders have rights to acquire, the following provisions shall apply: for so long as there exists an effective registration statement on Form F-3 covering Registrable Securities, all requests by Initiating Holders hereunder shall be deemed requests that the Company amend such registration statement to cover the Registrable Shares of such Initiating Holder, and will be treated as such by the Company; provided, however, that in no event shall the Company be required to amend an effective registration statement on Form F-3 more than once per quarter, solely in order to reflect the transfer of any instrument affording its holder the right to acquire Registrable Shares.

- 4.2. Within fifteen (15) days after receipt of a request for a Shelf Registration, the Company shall give written notice of such request, as the case may be, to the other Holders. Subject to the provisions of Section 4.3 below, the Company shall use its reasonable commercial efforts to effect the registration as soon as practicable of all Registrable Shares included in the requests for Shelf Registration and all Registrable Shares held by all such Holders who provide the Company with written requests for inclusion therein within fifteen (15) days after the receipt of the Company's notice.

Notwithstanding the above, the Company shall not be required to effect a registration pursuant to this Section 4 if it has, within the twelve (12) month period preceding the date of such request, already effected two (2) registrations on Form F-3 for the Holders pursuant to this Section 4.

5. **Designation of Underwriter.** In the case of any registration of the Company's shares, the Company shall have the right to designate the managing underwriter(s) in any underwritten offering, which underwriter or underwriters shall be reasonably acceptable to the Holders participating in an offering initiated under Section 3 above.
6. **Expenses.** All expenses incurred in connection with any registration under Section 2, 3 or 4 above, excluding underwriter's discounts or commissions and excluding fees and expenses of counsel(s) for the selling Holders (unless the Holders shall use the same counsel as the Company), shall be borne by the Company, including without limitation expenses incurred in connection with federal and "Blue Sky" registration, filing and qualification fees, printer's and accounting fees, and fees and disbursement of counsel for the Company.

7. **Indemnities.** In the event of any registered offering of Registrable Shares pursuant to this Agreement:

- 7.1. The Company will indemnify and hold harmless, to the fullest extent permitted by law, any Holder and any underwriter for such Holder, and each person, if any, who controls the Holder or such underwriter, from and against any and all losses, damages, claims, liabilities, joint or several, costs and expenses (including any amounts paid in any settlement effected with the Company's consent) to which the Holder or any such underwriter or controlling person may become subject under applicable law or otherwise, insofar as such losses, damages, claims, liabilities (or actions or proceedings in respect thereof), costs or expenses arise out of or are based upon either: (i) any untrue statement or alleged untrue statement of any material fact contained in the registration statement or included in the prospectus, as amended or supplemented, or (ii) the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances in which they are made, not misleading; and the Company will reimburse the Holder, such underwriter and each such controlling person of the Holder or the underwriter, promptly upon demand, for any reasonable legal or any other expenses incurred by them in connection with investigating, preparing to defend or defending against or appearing as a third-party witness in connection with such loss, claim, damage, liability, action or proceeding; provided, however, that the Company will not be liable in any such case to the extent that any such loss, damage, liability, cost or expense arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission so made in conformity with information furnished in writing by a Holder, such underwriter or such controlling persons in writing specifically for inclusion therein; and further provided, that the indemnity agreement contained in this Section 7.1 shall not apply to amounts paid in settlement of any such claim, loss, damage, liability or action if such settlement is effected without the consent of the Company, which consent shall not be unreasonably withheld. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of the Holder, the underwriter or any controlling person of the Holder or the underwriter, and regardless of any sale in connection with such offering by the Holder. Such indemnity shall survive the transfer of securities by a Holder.
- 7.2. Each Holder participating in a registration hereunder will indemnify and hold harmless the Company, its officers and directors, any underwriter for the Company, and each person, if any, who controls the Company or such underwriter, from and against any and all losses, damages, claims, liabilities, costs or expenses (including any amounts paid in any settlement effected with the selling shareholder's consent) to which the Company or any such controlling person and/or any such underwriter may become subject under applicable law or otherwise, insofar as such losses, damages, claims, liabilities (or actions or proceedings in respect thereof), costs or expenses arise out of or are based on either: (i) any untrue or alleged untrue statement of any material fact contained in the registration statement or included in the prospectus, as amended or supplemented, or (ii) the omission or the alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances in which they were made, not misleading; and each such Holder will reimburse the Company, any underwriter and each such controlling person of the Company or any underwriter, promptly upon demand, for any reasonable legal or other expenses incurred by them in connection with investigating, preparing to defend or defending against or appearing as a third-party witness in connection with such loss, claim, damage, liability, action or proceeding; in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was so made in strict conformity with written information furnished by such Holder specifically for inclusion therein. The foregoing indemnity agreement is subject to the condition that, insofar as it relates to any such untrue statement (or alleged untrue statement) or omission (or alleged omission) made in the preliminary prospectus but eliminated or remedied in the amended prospectus at the time the registration statement becomes effective or in the final prospectus, such indemnity agreement shall not inure to the benefit of (i) the Company, or (ii) any underwriter, if a copy of the final prospectus was not furnished to the person or entity asserting the loss, liability, claim or damage at or prior to the time such furnishing is required by the Securities Act; provided, however, that the indemnity agreement contained in this Section 7.2 shall not apply to amounts paid in settlement of any such claim, loss, damage, liability or action if such settlement is effected without the consent of the Holders, as the case may be, which consent shall not be unreasonably withheld. In no event shall the liability of a Holder exceed the gross proceeds from the offering received by such Holder.

- 7.3. Promptly after receipt by an indemnified Party pursuant to the provisions of Section 7.1 or 7.2 above of notice of the commencement of any action involving the subject matter of the foregoing indemnity provisions, such indemnified Party will, if a claim thereof is to be made against the indemnifying Party pursuant to the provisions of said Section 7.1 or 7.2, promptly notify the indemnifying Party of the commencement thereof. The failure to deliver written notice to the indemnifying Party within a reasonable time of the commencement of any such action, if prejudicial to its ability to defend such action, shall relieve such indemnifying Party of any liability to the indemnified Party under this Section 7. In case such action is brought against any indemnified Party and it notifies the indemnifying Party of the commencement thereof, the indemnifying Party shall have the right to participate in, and, to the extent that it may wish, jointly with any other indemnifying Party similarly notified, to assume the defense thereof with counsel reasonably satisfactory to such indemnified Party; provided, however, that if the defendants in any action include both the indemnified Party and the indemnifying Party and there is a conflict of interests which would prevent counsel for the indemnifying Party from also representing the indemnified Party, the indemnified Party or Parties shall have the right to select one separate counsel to participate in the defense of such action on behalf of such indemnified Party or Parties. After notice from the indemnifying Party to such indemnified Party of its election so to assume the defense thereof, the indemnifying Party will not be liable to such indemnified Party pursuant to the provisions of said Section 7.1 or 7.2 for any legal or other expense subsequently incurred by such indemnified Party in connection with the defense thereof, unless: (i) the indemnified Party shall have employed counsel in accordance with the provision of the preceding sentence; (ii) the indemnifying Party shall not have employed counsel reasonably satisfactory to the indemnified Party to represent the indemnified Party within a reasonable time after the notice of the commencement of the action and within 15 days after written notice of the indemnified Party's intention to employ separate counsel pursuant to the previous sentence; or (iii) the indemnifying Party has authorized the employment of counsel for the indemnified Party at the expense of the indemnifying Party. No indemnifying Party will consent to entry of any judgment or enter into any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified Party of a release from all liability in respect to such claim or litigation.
- 7.4. If recovery is not available under the foregoing indemnification provisions, for any reason other than as specified therein, the Parties entitled to indemnification by the terms thereof shall be entitled to contribution to liabilities and expenses as more fully set forth in an underwriting agreement to be executed in connection with such registration. In determining the amount of contribution to which the respective Parties are entitled, there shall be considered the Parties' relative knowledge and access to information concerning the matter with respect to which the claim was asserted, the opportunity to correct and prevent any statement or omission, and any other equitable considerations appropriate under the circumstances.
- 7.5. Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

8. **Obligations of the Company.** Whenever required under this Agreement to effect the registration of any Registrable Shares, the Company shall, as promptly as reasonably possible:
- 8.1. prepare and file with the SEC a registration statement with respect to such Registrable Shares and use its reasonable commercial efforts to cause such registration statement to become effective, and, except as otherwise provided in Section 4 with regard to Shelf Registrations, upon the request of the holders of a majority of the Registrable Shares registered thereunder, keep such registration statement effective for a period of up to six (6) months or, if sooner, until the distribution contemplated in the registration statement has been completed;
 - 8.2. prepare and file with the SEC such amendments and supplements to such registration statement and the prospectus used in connection with such registration statement as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of all Registrable Shares covered by such registration statement.
 - 8.3. furnish to the Holders, where such registration has been initiated pursuant to Section 2 or 3 above, such numbers of copies of a prospectus, including a preliminary prospectus, in conformity with the requirements of the Securities Act, and such other documents as they may reasonably request in order to facilitate the disposition of Registrable Shares owned by them;
 - 8.4. in the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement with the managing underwriter(s) of such offering, in usual and customary form as approved by the Company's Audit Committee and Board of Directors, and actively participate in the marketing efforts in cooperation with the managing underwriter(s). Each Holder participating in such underwriting shall also enter into and perform its obligations under such an agreement;
 - 8.5. notify each holder of Registrable Shares covered by such registration statement at any time when a prospectus relating thereto is required to be delivered under the Act of the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing, upon which notice and until the prospectus is amended or supplemented, the Holder shall not be entitled to offer or sell any shares pursuant to such prospectus;
 - 8.6. cause all Registrable Shares registered pursuant hereunder to be listed on each securities exchange on which similar securities issued by the Company are then listed; and
 - 8.7. provide a transfer agent and registrar for all Registrable Shares registered pursuant hereunder and a CUSIP number for all such Registrable Shares, in each case not later than the effective date of such registration.
9. **Information from Holder.** It shall be a condition precedent to the obligations of the Company to take any action pursuant to this Agreement with respect to the Registrable Shares of any selling Holder that such Holder shall furnish to the Company such information regarding itself, the Registrable Shares held by it, and the intended method of disposition of such securities as shall be required to effect the registration of such Holder's Registrable Shares.
10. **Delay of Registration.** No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any such registration as the result of any controversy that might arise with respect to the interpretation or implementation of this Agreement.

11. **Assignment of Registration Rights.** Seller may assign its rights to cause the Company to register Shares pursuant to this Agreement only to (a) a transferee that, after such assignment or transfer, is to hold at least 500,000 (five hundred thousand) Registrable Shares (subject to appropriate adjustment for stock splits, stock dividends, combinations and other recapitalizations); (b) with respect solely to the assignment of rights and obligations in connection with Shelf Registrations pursuant to Section 4 above or associated therewith, to an assignee who, immediately following such assignment, also holds either at least 20,000 (twenty thousand) Registrable Shares, or other securities convertible into at least 20,000 such Registrable Shares; or (c) any affiliate of either Priortech or Chroma, or any party who acquires ownership or control of Priortech or Chroma through a merger, consolidation, sale of all or substantial assets or similar business combination; all provided, however, that: (i) no such rights may be assigned until the Company is given written notice by the transferor at the time of such assignment stating the name and address of such transferee, and the securities with respect to which such registration rights are being assigned, and that any such transferee shall receive such assigned rights subject to all the terms and conditions of this Agreement (excepting, with respect only to assignments pursuant to clause (b) above, those terms and conditions contained in Sections 2 and 3 above and Section 12 below), including without limitation the provisions of this Section 11; (ii) transferee shall, as promptly as practicable and within at least 14 (fourteen) days after such transfer, furnish the Company with the transferee's written agreement to be bound by this Agreement; and (iii) no such assignment or assignments shall increase the obligations of the Company hereunder. At the request of Priortech or Chroma, the Company shall enter into a separate registration rights agreement with a permitted transferee of Registrable Shares on substantially the terms of this Agreement, mutatis mutandis, provided that such separate agreement does not increase the obligations of the Company (in the discretion of the Company's Audit Committee) and is approved by the Company's Audit Committee and Board of Directors.
12. **Lock-Up.**
- 12.1. In the event of an underwritten public offering by the Company of any securities of the Company, and upon the request of the managing underwriter of such offering from security holders of the Company who hold securities of the Company in the amount that is equal or exceeds the threshold set by such managing underwriter, and who include a Holder (or group of affiliated Holders), such Holder hereby agrees that it will not sell any of the Registrable Shares for a period commencing on the date requested by such managing underwriter and ending 90 days after the effective date of the offering and undertakes to (and cause any transferee to) execute a "lock-up" agreement in the form provided by such underwriter.
- 12.2. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to the Registrable Shares of each Holder (and the shares or securities of every other person subject to the foregoing restriction) until the end of the applicable period. For the avoidance of doubt, the underwriters, if any, in connection with a registration hereunder, are intended third party beneficiaries of this Section 12 and shall have the right, power and authority to enforce the provisions hereof as though they were a Party hereto.

13. **Public Information.** The Company undertakes to make publicly available and available to the Holders pursuant to Rule 144, such information as is necessary to enable the Holders to make sales of Registrable Shares pursuant to that Rule. The Company undertakes to comply with the current public information requirements of Rule 144 and shall furnish thereafter to any Holder, upon request, a written statement executed by the Company as to the steps it has taken to so comply.

13A. Information Rights.

- 13A.1 **Information for Public Filings.** The Company shall provide Holder, for as long as it holds at least 5% of the Company's issued and outstanding share capital, in a timely manner, all information and relevant documentation required by such Holder in order for such Holder to comply with its disclosure obligations under applicable laws, regulations, public filings and stock exchange rules or as required by any governmental entity; provided that Holder shall not disclose to any third party (except for disclosure to Holder's directors, officers, advisers and employees on a need to know basis) any of such information (including in its public filings) before the Company makes such information publicly available.
- 13A.2 **Due Diligence for Investment.** In the event that a potential investor in Priortech or Chroma (the "**Potential Investor**") has expressed an interest in purchasing from Priortech or Chroma not less than twenty percent (20%) of the share capital of Priortech or Chroma, as applicable, and for the purposes of evaluating such transaction seeks to gain access to the Company's documents and records for due diligence purposes, and provided that: (i) Priortech or Chroma, as applicable, is a controlling shareholder in the Company at such time; and (ii) the Potential Investor is not a Competitor of the Company, the Company shall grant the Potential Investor access to its documents and records, subject to the Potential Investor signing a non-disclosure agreement in a form satisfactory to the Company.
- 13A.3 **Due Diligence for Sale of Shares.** In the event that a potential purchaser (the "**Potential Purchaser**") has expressed an interest in purchasing from Priortech or Chroma, as applicable, not less than ten (10%) of the Company's issued and outstanding share capital, and for the purposes of evaluating such transaction seeks to gain access to the Company's documents and records for due diligence purposes, and provided that (i) Priortech or Chroma, as applicable, is a controlling shareholder in the Company at such time; and (ii) the Potential Purchaser is not a Competitor of the Company, the Company shall grant the Potential Purchaser access to its documents and records, subject to the Potential Purchaser signing a non-disclosure agreement in a form satisfactory to the Company.

For the purpose of this Agreement, "**Competitor**" shall mean an entity which competes in a substantial manner with the Company's core business.

13B. Confidentiality.

- 13B.1 Each of the Holders hereby undertakes to use reasonable endeavors to ensure that all Confidential Information received by them or by any affiliated parties thereof, or by any director appointed by such Party to the Company's Board, relating to the Company and/or the Company's business shall not be disclosed to any third party, other than (i) by each Party to its affiliates, employees, directors and consultants who are subject to confidentiality undertakings on a need-to-know basis; and (ii) as may be otherwise permitted or required pursuant to the provisions of any agreements between the Company and such Holder.
- 13B.2 For the purpose of this Agreement "**Confidential Information**" shall mean, any business, financial or technical information, including but not limited to inventions, patents, know-how, trade-secretes, methods, techniques, processes, designs, drawings, diagrams, formulae and analysis, and any business and financial information, including but not limited to financial statements, price lists, customers lists, costs analyses, reports, budgets, business plans, surveys and market information and data, whether communicated in tangible or intangible form.
- 13B.3 For the purpose of this Agreement and notwithstanding the provisions of Section 13B.2 above, "Confidential Information" shall not include information that can be proven as (i) was rightfully in possession of or known to the receiving Party without any obligation of confidentiality prior to receiving it from the disclosing Party; (ii) is, or subsequently becomes, legally and publicly available without breach of this Agreement; (iii) is rightfully obtained by the receiving Party from a source other than the disclosing Party without any obligation of confidentiality; (iv) is developed by or for the receiving Party without use of the Confidential Information; (v) becomes subject to required disclosure, either to the public or to a public or private entity, because of judicial action or other governmental agency action or applicable laws or regulation or stock exchange regulations applicable to a Holder or its affiliates, or when a Holder is legally required (by formal questioning or, in the written opinion of its legal counsel, by applicable securities laws) to disclosed Confidential Information; or (vi) is disclosed in accordance with the terms of Section 13A above.
14. **Effectiveness and Termination of Registration Rights.** Notwithstanding anything to the contrary in this Agreement, no Holder shall be entitled to exercise any right provided for in this Agreement (i) before the Effective Date and (ii) after seven (7) years following the date hereof, or, as to any Holder, such earlier time at which all Registrable Shares held by such Holder (and any affiliate of the Holder with whom such Holder must aggregate its sales under Rule 144) can be sold in any three (3)-month period without registration in compliance with Rule 144 of the Act.
15. **Miscellaneous.**
- 15.1. **Effectiveness.** This Agreement is subject to the approval the Company's shareholders and shall be effective only upon receipt of such approval in accordance with Israeli law and subject to the closing of the SPA and STA.
- 15.2. **Further Assurances.** Each of the Parties hereto shall perform such further acts and execute such further documents as may reasonably be necessary to carry out and give full effect to the provisions of this Agreement and the intentions of the Parties as reflected thereby.
- 15.3. **Governing Law; Jurisdiction.** This Agreement shall be governed by and construed according to the laws of the State of New York, without regard to the conflict of laws provisions thereof. Any dispute arising under or in relation to this Agreement shall be resolved in the competent courts of the State of New York or the courts of the United States located in the Borough of Manhattan, New York City, New York, and each of the Parties hereby submits irrevocably to the jurisdiction of such courts.

- 15.4. **Successors and Assigns; Assignment.** Except as otherwise expressly limited herein, the provisions hereof shall inure to the benefit of, and be binding upon, the successors, assigns, heirs, executors, and administrators of the Parties hereto. None of the rights, privileges, or obligations set forth in, arising under, or created by this Agreement may be assigned or transferred without the prior consent in writing of each Party to this Agreement, except as set forth in Section 11 above.
- 15.5. **Entire Agreement; Amendment and Waiver.** This Agreement and the Schedules hereto constitute the full and entire understanding and agreement between the Parties with regard to the subject matters hereof and thereof and supersedes in full the Registration Rights Agreement. Any term of this Agreement may be amended and the observance of any term hereof may be waived (either prospectively or retroactively and either generally or in a particular instance) only with the written consent of all of the Parties to this Agreement.
- 15.6. **Notices, etc.** Any notice or other communication required or permitted to be delivered to any Party under this Agreement shall be in writing and shall be deemed properly delivered, given and received when delivered (by hand, by registered mail, by courier or express delivery service or by facsimile) to the address or facsimile telephone number set forth beneath the name of such Party below (or to such other address or facsimile telephone number as such Party shall have specified in a written notice given to the other Parties hereto):

if to the Company:

CAMTEK LTD.

Ramat Gavriel Industrial Zone

P.O. Box 544

Migdal Ha'Emek 23150

Israel

Fax: 972-4-644-0523

Attention: Rafi Amit

if to Priortech:

PRIORTECH LTD.

P.O. Box 631

Migdal Ha'Emek 23105

Israel

Fax: 972-4-654-4322

Attention: Yotam Stern

If to Chroma:

CHROMA ATE INC.

No. 66, Hwa Ya 1 Rd.

Guishan District

Taoyuan City 333, Taiwan

Attention: Lawrence Wu

Email: lawrence.wu@chroma.com.tw

or such other address with respect to a Party as such Party shall notify each other Party in writing as above provided. Any notice sent in accordance with this Section 15.6 shall be effective (i) if mailed, five (5) business days after mailing, (ii) if sent by messenger, upon delivery, and (iii) if sent via telecopier, upon transmission and electronic confirmation of receipt or (if transmitted and received on a non-business day) on the first business day following transmission and electronic confirmation of receipt.

- 15.7. **Delays or Omissions.** No delay or omission to exercise any right, power, or remedy accruing to any Party upon any breach or default under this Agreement, shall be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent, or approval of any kind or character on the part of any Party of any breach or default under this Agreement, or any waiver on the part of any Party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing.
- 15.8. **Severability.** If any provision of this Agreement is held by a court of competent jurisdiction to be unenforceable under applicable law, then such provision shall be excluded from this Agreement and the remainder of this Agreement shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms; provided, however, that in such event this Agreement shall be interpreted so as to give effect, to the greatest extent consistent with and permitted by applicable law, to the meaning and intention of the excluded provision as determined by such court of competent jurisdiction.
- 15.9. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and enforceable against the Parties actually executing such counterpart, and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date set forth above.

Camtek Ltd.

Name: _____

Title: _____

Priortech Ltd.

Name: _____

Title: _____

Chroma ATE Inc.

Name: _____

Title: _____

Exhibit B



Executives & Directors Compensation Policy

I. Overview

1. Definitions

Company	CAMTEK LTD.
Law	The Israeli Companies Law, 5759-1999, and any regulations promulgated under it, as amended from time to time.
Compensation Committee	A committee satisfying the requirements of section 118A of the Law.
Office Holder	Director, CEO, Executive-Vice-President, any person filling any of these positions in a company even if he holds a different title, and any other executive subordinate to the CEO, all as defined in section 1 of the Law.
Executive	Office Holder, excluding a director.
Terms of Office and Employment	Terms of office or employment of an Executive or a Director, including the grant of an exemption, an undertaking to indemnify, indemnification or insurance, Separation Package, and any other benefit, payment or undertaking to provide such payment, granted in light of such office or employment, all as defined in the Law.
Total Cash Compensation	The total annual cash compensation of an Executive, which shall include the total amount of: (i) the annual base salary; and (ii) the On Target Cash Plan.
Equity Value	The value of the total annual Equity Based Components, valued using the same methodology utilized in the Company's financial statements. [In the event that the equity grant shall not be on a yearly basis, the term Equity Value shall reflect the portion of the grant in each year (i.e the total equity grant value, divided by the number of years for between grants).
Total Compensation	The Total Cash Compensation and Equity Value.

2. Policy Global Guidelines

- 2.1. Our Company provides automated solutions dedicated for enhancing production processes and yield in semiconductor fabrication and packaging and printed circuit board and IC substrates industries. Our Company's innovations have made it a technological leader in dozens of countries around the world.
 - 2.2. Our vision and business strategy is directed towards growth, profitability, innovation, success in future goals, all with a long term perspective.
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- 2.3. The Company's success in fulfilling its long term vision and strategy is much reliant on the excellence of its human resources through all levels. Thus, we believe that the company's ability to achieve its goals requires us to recruit, motivate and retain high quality and experienced leadership team and directors.
- 2.4. Therefore, we believe in creating a comprehensive, customized compensation policy for our Office Holders (the "**Policy**"), which shall enable us to attract and retain highly qualified Executives. Moreover, the Policy shall motivate our Executives to achieve ongoing targeted results in addition to a high level business performance in the long term, all, without encouraging excessive risk taking.

The Policy is intended to align between the importance of incentivizing Office Holders to reach personal targets and the need to assure that the overall compensation meets our Company's long term strategic performance and financial objectives.

- 2.5. The policy provides our Compensation Committee and our Board of Directors with adequate measures and flexibility, to tailor each of our Executive's compensation package based, among others, on geography, tasks, role, seniority, and capability.
- 2.6. The Policy shall provide the Board of Directors with guidelines as to exercising its discretion under the Company's equity plans.
- 2.7. The Policy is guided by the applicable principles set forth in the Law.

3. Principles of the Policy

- 3.1. The Policy shall guide the Company's management, Compensation Committee and Board of Directors with regard to the Office Holders' compensation.
- 3.2. The Policy shall be reviewed from time to time by the Compensation Committee and the Board of Directors, to ensure its compliance with applicable laws and regulations as well as market practices, and its conformity with the Company's targets and strategy. As part of this review, the Board of Directors will analyze the appropriateness of the Policy in advancing achievement of its goals, considering the implementation of the Policy by the Company during previous years.
- 3.3. Any proposed amendment to the Policy shall be brought up to the approval of the Shareholders of the Company and the Policy as a whole shall be re-approved by the Shareholders of the Company at least every three years, or as otherwise required by Law.
- 3.4. The approval procedures of Terms of Office and Employment as well as back-up data shall be documented in detail and such documentation shall be kept in the Company's offices for at least seven years following approval.
- 3.5. The compensation of each Office Holder shall be taxed and subject to mandatory or customary deductions and withholdings, in accordance with the applicable local laws.
- 3.6. The Company's CEO shall be entitled to approve non-material changes (i.e. not exceeding 5% of the aggregate value of the Total Cash Compensation for such calendar year) in the Terms of Office and Employment of Executives subordinate to the CEO, without seeking the approval of the Compensation Committee.

II. Executive Compensation

1. When examining and approving the Executives' Terms of Office and Employment, the Compensation Committee and Board members shall review the following factors, and shall include them in their considerations and reasoning:
 - 1.1. Executive's education, skills, expertise, professional experience and specific achievements.
 - 1.2. Executive's role and scope of responsibilities and in accordance with the location in which such Executive is placed.
 - 1.3. Executive's previous compensation.
 - 1.4. The Company's performance and general market conditions.
 - 1.5. The ratio between Executive's compensation, including all components of the Executive's Terms of Office and Employment, and the compensation (including all components thereof) of the Company's employees, in particular with regard to the average and median ratios, and the effect of such ratio on work relations inside the Company as defined by the Law.
 - 1.6. Comparative information, as applicable, as to former Executives in the same position or similar positions, as to other positions with similar scopes of responsibilities inside the Company, and as to Executives in peer companies globally spread. The peer group shall include not less than 10 companies similar in parameters such as, among others, revenue, market cap, field of operation, annual income, number of employees, country of operation etc'. The comparative information, as applicable, shall address the base salary, target cash incentives and equity and will rely, as much as possible, on reputable industry surveys.
2. The compensation of each Executive shall be composed of, some or all, of the following components:
 - i. Fixed components, which shall include, among others: base salary and benefits as may be customary under local customs.
 - ii. Variable components, which may include: cash incentives and equity based compensation.
 - iii. Separation package;
 - iv. Directors & Officers (D&O) Insurance, indemnification; and
 - v. Other components, which may include: change in control, relocation benefits, leave of absence, etc.

3. Our philosophy is that our Executives' compensation mix shall comprise of, some or all, of the following components: annual base salary, performance-based cash incentives and long-term equity based compensation, all in accordance with the position and responsibilities of each Executive, and taking into account the purposes of each component, as presented in the following table:

Compensation Component	Purpose	Compensation Objective Achieved
Annual base salary	Provide annual cash income based on the level of responsibility, individual qualities, past performance inside the Company, past experience inside and outside the Company and comparative information.	• Individual role, scope and capability based compensation • Market competitiveness in attracting Executives.
Performance-based cash incentive compensation	Motivate and incentivize individual towards reaching Company, business unit and individual's periodical and long-term goals and targets.	• Reward periodical accomplishments • Align Executive' objectives with Company, business unit and individual's objectives • Market competitiveness in attracting Executives.
Long-term equity-based Compensation	Align the interests of the individual with the Shareholders of the Company, by creating a correlation between the Company's success and the value of the individual holdings	• Company performance based compensation • Reward long-term objectives • Align individual's objectives with shareholders' objectives

4. The compensation package shall be reviewed with each Executive as may be required from time to time, but at least once every three years.

Fixed compensation

5. **Base Salary:**

- 5.1. The base salary is intended to provide annual cash income based on the level of responsibility, individual qualities, past performance inside the Company, and past experience inside and outside the Company.
- 5.2. The Company shall determine the Company's comparative peer groups as set forth above, such that the base salary of each Executive shall be determined, among others, based on a comparison to such benchmark.
- 5.3. Our Compensation Committee and Board of Directors may determine, from time to time, the target percentile, and/or range of percentiles, that our Executives' base salary shall meet, with respect to the peer group companies as aforesaid.
- 5.4. The annual base salary for each Executive shall be determined by our Compensation Committee and Board of Directors, but in no event shall exceed: (i) with respect to the CEO- USD 350,000; and (ii) with respect to other Executives- USD 220,000.
- 5.5. The value of the annual base salary in the compensation of each of our Executives shall be designed, not to be more than 70 % of such Executive's Total Compensation.

6. **Benefits**

- 6.1. Benefits granted to Executives shall include any mandatory benefit under applicable law, as well as:
 - 6.1.1. Pension plan/ Executive insurance as customary in each territory.

- 6.1.2. Benefits which may be offered as part of the general employee benefits package (such as, in Israel: Private medical insurance, disability and life insurance, transportation (including Company car, a Company's leased car or transportation allowance)² - fully covered by the company including any tax gross up) communication & media, Israeli education fund, etc.) in accordance with the local practice of the Company.
- 6.1.3. An Executive will be entitled to sick days and other special vacation days (such as recreation days), in accordance with local standards and practices.
- 6.1.4. An Executive may be entitled to vacation days (or redemption thereof), in correlation with the Executive's seniority and position in the Company (generally up to 25 days annually), subject to the minimum vacation days requirements per country of employment as well as the local national holidays.
- 6.1.5. Additional benefits, which their aggregate value for each of our Executives shall not exceed 10% of such Executive's annual base salary (excluding with respect to relocation).

7. **Variable Components**

- 7.1. When determining the variable components as part of an Executive's compensation package, the contribution of the Executive to the achievement of the Company and business unit's goals, revenues, profitability and other key performance indicators ("KPIs") shall be considered, taking into account the Company and the business unit's long term perspective and the Executive's position.
- 7.2. Variable compensation components shall be comprised of cash components which shall be mostly based on measurable criteria and on equity components, all taking into consideration a long term perspective.
- 7.3. The Board of Directors shall have the discretion to reduce or cancel any cash incentive.

8. **Cash Incentives**

8.1. **Variable Cash Incentive Plan**

- 8.1.1. The cash incentive plan is an incentive cash payments to the Executives that vary based on the Company and business unit's performance and on their individual performance and contribution of the Executive to the Company.
- 8.1.2. For each calendar year, our Compensation Committee and Board of Directors shall adopt a cash incentive plan (the "**Cash Plan**") which will set forth, for each Executive, targets which form such Executive's on target Cash payment, (which shall be referred to as the "**On Target Cash Plan**"), and the rules or formula for calculation of the Cash Plan payment once actual achievements are known.
- 8.1.3. The Compensation committee and Board of Directors may include in the Cash Plan predetermined thresholds, caps, multipliers, accelerators and decelerators to correlate an Executive's Cash Plan payments with actual achievements.

² In this case such payment shall be added to the Executive's base salary and shall affect the cap specified in section 6 above accordingly.

- 8.1.4. The On Target Cash Plan of each Executive shall be calculated based on such Executive's base salary, and shall not exceed: (i) with respect to the CEO- 9 monthly base salaries; and (ii) with respect to other Executives- ~~4~~6 monthly base salaries.
- 8.1.5. The annual Cash Plan payment for each Executive in a given year shall be capped as determined by our Board of Directors, but in no event shall exceed: (i) with respect to the CEO- 13.5 monthly base salaries; and (ii) with respect to other Executives- ~~6~~9 monthly base salaries.
- 8.1.6. In the event that in a given year the Company's NON GAAP Net Profit shall be less than US\$4,500,000, (or a higher amount in the event determined so by the Board in a given year) - no annual Cash Plan payment shall be paid to Executives.
- 8.1.7. At least 50% of the targets shall be measurable. Such targets may be with respect to Company, business unit and individual level and may include, among others, one or more of the following, with respect to the Executive:
- Company's/ business unit's Revenues
 - Company's/ business unit's Operating Income
 - Pre-tax profits above previous fiscal year
 - Company's/ business unit's Bookings
 - Collection
 - Customer satisfaction
 - KPIs
 - EPS
- All financial targets mentioned above may use either GAAP or NON-GAAP measurements.
- A portion of up to 50% of the targets may be based on non-measurable criteria, provided however that with respect to the CEO such portion shall not exceed 3 monthly base salaries of the CEO. Such non-measurable criteria will be concluded, among others, by assessing the Executive's performance during the year, the contribution of the Executive to the achievement of the Company's goals, evaluation of the Executive by the CEO/Board of Directors, as relevant.
- 8.1.8. The targets, as well as their weight and cap, shall be determined in accordance with the Executive's position, the Executive's individual roles, and the Company and business unit's long term and short term targets. The measurable targets shall include at least two financial targets, one of which shall be the Company's NON GAAP Net Profit, together weighing at least: (i) 50% of the On Target Cash Plan for headquarters Executives (such as CFO, VP Operations, VP HR etc.) and (ii) 40% of the On Target Cash Plan of other Executives (such as, business unit VP etc).
- With respect to an Executive managing a business unit - at least 30% of the On Target Cash Plan shall be measurable target based on such Executive's unit and personal targets
- 8.1.9. The Board of Directors shall be authorized, under circumstances it deems exceptional, when the Company's targets are amended during a particular year, to determine whether, and in which manner, such amendment shall apply to the On Target Cash Plan Adjustment to the Company and/or business unit objective targets may be made, when applicable, following major acquisitions, divesture, organizational changes or material change in the business environment.

8.2. **Change In Control Cash Payment**

Our Compensation Committee and Board of Directors shall be authorized to grant an Executive, in connection with an event of a change in control a cash payment of up to 6 monthly base salaries of such Executive.

9. **Equity Based Compensation**

- 9.1. The Company shall grant its Executives, from time to time, equity based compensation, which may include any type of equity, including without limitation, any type of shares, options, restricted share units (RSUs), share appreciation rights, restricted shares or other shares based awards ("**Equity Based Components**"), under any existing or future equity plan (as may be adopted by the Company), and subject to any applicable law.
- 9.2. The Company believes that it is not in its best interest to limit the exercise value of Equity Based Components.
- 9.3. When determining grants of Equity Based Components to Executives, the Compensation Committee and the Board of Directors shall take into account the interests of the Company's investors and the effect of such grants on the dilution of its shareholders.
- 9.4. Our equity based components shall be in accordance with and subject to the terms of our existing or future equity plan and shall vest in installments, throughout a period which shall not be shorter than 3 years with at least a 1 year cliff taking into account adequate incentives in a long term perspective.
- 9.5. In the event of a change in control, unvested options may be accelerated as determined by the Board of Directors and the governing equity plan.
- 9.6. The total yearly Equity Value at the time of grant with respect to any Executive shall not exceed 100% of such Executive's annual base salary
- 9.7. The Company shall balance the mixture of Equity Based Components taking into account the importance of motivating its Executives as well as its shareholders' interest in limiting dilution.

10. **Separation Package**

- 10.1. The following criteria shall be taken into consideration when determining Separation Package: the duration of employment of the Executive, the terms of employment, the Company's performance during such term, the Executive's contribution to achieving the Company's goals and revenues and the retirement's circumstances.

- 10.2. As a guideline, the notice period for the termination of an Executive shall not exceed three months (or payment in lieu of such notice). In special circumstances, our Compensation Committee and Board of Directors shall be authorized to increase the notice period (or the payment in lieu of such notice) by up to additional 3 months.
- 10.3. Other than payments required under any applicable law, local practices, vesting of outstanding options, transfer or release of pension funds, manager's insurance policies, etc. - the maximum Separation Package of each Executive shall not exceed the value of a onetime Total Cash Compensation of such Executive's. Separation Package shall include any payment and/or benefit paid to an Executive in connection with such Executive's separation, all as defined in section 1 of the Law.

11. **Others**

- 11.1. **Relocation**— additional compensation pursuant to local practices and law may be granted to an Executive under relocation circumstances. Such benefits shall include reimbursement for out of pocket one time payments and other ongoing expenses, such as housing allowance, car or transportation allowance, home leave visit, participation in children tuition fee etc., all as reasonable and customary for the relocated country and in accordance with the Company's relocation practices, approved by the Compensation Committee and Board of Directors.
- 11.2. Our Compensation Committee and our Board of Directors may approve, from time to time, with respect to any Executive, if they deem to be required under special circumstances or in case of an exceptional contribution to the Company, including in cases of retention or attraction of an Executive, the grant of a onetime cash incentive, of up to 50% the Executive's annual base salary.

12. **Clawback Policy**

- 12.1. In the event of a restatement of the Company's financial results, we shall seek reimbursement from our Office Holders of, and the Office Holder shall be required to repay to us any payment made due to erroneous restated data, with regards to each Office Holder's Terms of Office and Employment that would not otherwise have been paid. The reimbursement shall be limited to such payments made during the 3-year period preceding the date of restatement. The above shall not apply in case of restatements that reflect the adoption of new accounting standards, transactions that require retroactive restatement (e.g., discontinued operations), reclassifications of prior year financial information to conform to the current year presentation, or discretionary accounting changes.
- 12.2. Our Compensation Committee and Board of Directors shall not be authorized to seek recovery to the extent that (i) to do so would be unreasonable or impracticable or; (ii) there is low likelihood of success under governing law versus the cost and effort involved;.

III. **Director Remuneration:**

Our non-executive directors may be entitled to remuneration composed of cash compensation which includes annual fee and meeting participation fee, as well as equity based compensation, as an incentive for their contribution and efforts as directors of the Company.

In setting the compensation of our non-executive Directors, the Compensation Committee shall consider, among others, parameters it deems necessary in order to attract and retain highly skilled and experienced Directors.

1. **Cash Compensation:**

- 1.1. The Company's non-executive (non- controlling) directors shall be entitled to receive an equal cash fee per year and per meeting in accordance with the amounts set forth in the Law.
- 1.2. The Company's non-executive Chairman of the Board of Directors shall be entitled to receive (i) an annual base salary which shall in no event exceed US\$250,000.
- 1.3. The On Target Cash Plan of the Company's non-executive Chairman of the Board of Directors shall not to exceed two thirds of the Company's non-executive Chairman's annual base salary. The annual Cash incentive actually paid to the Company's non-executive Chairman of the Board of Directors in a given year shall not exceed 80% the non-executive's Chairman's annual base salary.
- 1.4. Company's non-executive directors shall be reimbursed for their reasonable expenses incurred in connection with attending meetings of the Board of Directors and of any Committees of the Board of Directors, all in accordance with the Law.

2. **Equity Based Compensation**

- 2.1. Each of the Company's non-executive (non- controlling) directors may be entitled to receive equity based compensation per year, which shall be approved by the shareholders of the Company, in accordance with applicable law which value shall not exceed USD 30,000.
- 2.2. The Company's non-executive Chairman of the Board of Directors shall be entitled to receive equity based compensation which total annual Equity Value at the time of grant, shall not exceed, 40% of his of his annual base salary.
- 2.3. The equity based compensation of each of the Company's non-executive directors shall vest in quarterly installments.
- 2.4. Equity based compensation granted to our non-executive directors shall be granted under the existing or future equity plan of the Company.

3. **Outside Directors' Compensation:**

- 3.1. The compensation of our outside directors shall be determined and capped in accordance with the fixed and maximum annual and participation fees specified in the Law.

IV. **Indemnification, Insurance and Exemption**

1. The Office Holders shall be entitled to the same directors and officer's indemnification and exemption of up to the maximum amount permitted by law, directors and officer's liability insurance as shall be approved at the Compensation Committee, the Board of Directors and our shareholders , all in accordance with any applicable law and the Company's articles of association.

2. We shall be authorize to provide our directors and officers with a liability insurance policy which aggregate coverage of \$30,000,000, plus 20% additional coverage for claims-related costs, and the premium shall be up to US\$210,000.
3. Our Compensation Committee shall be authorized to increase the coverage purchased, and/or the premium paid for such policies, by up to 20% in any year, as compared to the previous year, or cumulatively for a number of years, without an additional shareholders' approval, if and to the extent permitted under the Law.

V. General

1. The Compensation Committee and our Board of Directors shall be authorized to approve a deviation of up to 10% from any limits, caps or standards detailed in this Policy, and such deviation shall be deemed to be in alignment with this Policy.
2. This Policy is set as guidance for the Company's relevant organs, with respect to matters involving the compensation of its Office Holders, and is not intended to, and shall not confer upon any of the Office Holders, any rights with respect to the Company.