

Articles of Association of Matrix I.T. Ltd. according to the Companies Law, 1999

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1.

**Company Name**

The name of the company is Matrix I.T. Ltd (in English: Matrix I.T. Ltd).

2.

**Company Objectives**

The objectives of the company are as set forth in the company's Memorandum of Association.

3.

**Interpretation**

3.1.

Any reference in the singular shall also mean the plural and vice versa; any reference in the masculine gender shall also mean the feminine gender and vice versa.

3.2.

Unless special definitions for certain terms are included in these Articles, every word and expression in these Articles shall have the meaning assigned to them in the Companies Law 1999 (in these Articles: the Companies Law), unless such interpretation is inconsistent with the subject or content hereof.

3.3.

For the avoidance of doubt, it is clarified that regarding matters that are regulated by the Companies Law in a manner that allows for deviation in the Articles, and these Articles do not include provisions diverging from the Companies Law, the provisions of the Companies Law shall apply.

4.

**Share Capital of the Company and Rights Attached to the Shares**

4.1.

The authorized share capital of the company shall be NIS 200,000,000 divided into 200,000,000 ordinary shares of NIS 1.00 par value each.

4.2.

The ordinary shares shall entitle their holders to:

4.2.1.

An equal right to participate and vote in the company's general meetings, whether annual or special meetings, and each of the shares in the company shall entitle its holder, present at the meeting and participating in the vote (personally, by proxy, or by written vote), to one vote;

4.2.2.

An equal right to participate in the distribution of dividends, whether in cash or in bonus shares, in the distribution of assets or any other distribution, according to the proportion of the nominal value of the shares held by them;

4.2.3.

An equal right to participate in the distribution of the company's surplus assets upon its liquidation, according to the proportion of the nominal value of the shares held by them.

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4.3. The board of directors may issue shares and other securities, convertible or exercisable into shares, up to the limit of the registered share capital of the company.

For the purpose of calculating the limit of the registered share capital, securities convertible or exercisable into shares shall be regarded as if they were converted or exercised at the time of their issue.

**5. Limited Liability**

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The liability of the shareholders for the company's debts shall be limited to the full amount (par value plus premium) they were required to pay to the company for their shares and which has not yet been paid by them.

**6. Joint Ownership of Shares and Share Certificates**

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6.1. A shareholder registered in the register of shareholders is entitled to receive from the company, free of charge, within a period of three months after the allocation or registration of the transfer, one share certificate signed with the company seal for all shares registered in their name, which shall detail the number of shares, or, if approved by the board of directors (after the amount determined by the board of directors has been paid), a number of share certificates for the shares registered in their name.

In the case of a share owned jointly, the company shall issue one share certificate for all the joint owners of the share, and delivery of such certificate to the partner whose name appears first in the register of shareholders shall be considered delivery to all of them.

Every share certificate shall bear the signature of two directors, or the signature of one director and the company secretary, together with the company seal.

6.2. A share certificate that has been defaced, destroyed, or lost may be renewed on the basis of evidence and guarantees as required by the company from time to time.

**7. The Company's Remedies Regarding Shares Not Fully Paid Up**

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7.1. If the consideration which the shareholder undertook to pay the company for their shares, in whole or in part, is not paid at the date and under the terms set in the terms of share allocation and/or in the payment demand as stated in section 7.2 below, the company may, by resolution of the board of directors, forfeit the shares for which payment has not been made in full.

The forfeiture of shares shall be carried out provided that the company has sent the shareholder a written warning of its intention to forfeit their shares, at least 7 days from the receipt of the warning, if payment is not made during the period set by the warning letter.

The board of directors may at any time, before the time that a forfeited share is sold, reallocated, or otherwise transferred, cancel the forfeiture under such conditions as it deems fit.

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Shares that have been forfeited shall be held by the company as dormant shares or may be sold thereafter. In the event of a resale, the Board of Directors shall be entitled to appoint a person to sign the share transfer deed for the shares that have been sold and to ensure that the buyer's name is entered in the register of shareholders as a shareholder.

7.2. If, according to the terms of issuance of the shares, there is no fixed date for payment of any part of the price to be paid for them, the Board of Directors may from time to time demand payment from shareholders for monies not yet paid for the shares they hold, and every shareholder shall be obligated to pay the company the amount required of him at the time determined as aforesaid, with interest at a rate determined by the Board of Directors and all expenses incurred by the company to collect such payment, provided that he receives prior notice of 14 days regarding the time and place of payment (demand for payment). The notice shall specify that failure to pay on the due date or before it at the specified place may result in the forfeiture of the shares for which the payment was demanded. The demand for payment can be canceled or postponed to another date, all as decided by the Board of Directors.

7.3. In the absence of any other provision in the terms of allotment of the shares, a shareholder shall not be entitled to receive a dividend or exercise any rights as a shareholder in respect of shares that have not been fully paid for.

7.4. Persons who are joint owners of a share shall be jointly and severally liable for payment of the amounts due to the company in respect of the share.

7.5. Nothing in this section shall detract from any other remedy of the company against a shareholder who has not paid his debt to the company in respect of his shares.

## **8. Transfer of Shares**

8.1. Shares of the company that have been fully paid for may be transferred without restriction and without the need for approval by the Board of Directors.

8.2. Transfer of shares must be made in writing and will not be registered unless –

8.2.1. A proper share transfer deed together with the share certificates intended for transfer, if issued, has been delivered to the company at its registered office. The transfer deed must be signed by the transferor in the presence of a witness attesting the transferor's signature, and also by the transferee in the presence of a witness attesting the transferee's signature; or

8.2.2. A court order for correction of the registration has been delivered to the company; or

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8.2.3. It has been proven to the company that the legal conditions for the endorsement of the right in a share have been fulfilled.

8.3. The transfer of shares that have not been fully paid for requires the approval of the Board of Directors, which

may refuse to grant its approval at its sole discretion and without giving

reasons for such refusal. If the Board of Directors refuses to approve the transfer of shares, it shall notify the transferor no later than 30 days from the receipt of the transfer deed.

8.4. The transferee shall be considered the shareholder with respect to the transferred shares from the time his name is registered in the shareholders register.

8.5. The company may close the transfer books and the shareholders register for such period as the Board of Directors sees fit, provided that it does not exceed thirty (30) days overall in each year and shall not be within the 14 days prior to the date set for entitlement to vote at the general meeting as determined by the Board of Directors, as stated in Section 182 of the Companies Law. The company shall give seven days' advance notice of such closure.

8.6. The company shall be entitled to charge a fee for the registration of the transfer, in an amount as periodically determined by the Board of Directors, not to exceed one hundred new shekels for the registration of one transfer deed.

## **9. Change of Capital**

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9.1. The general meeting may increase the registered share capital of the company by creating new shares of an existing or new class, all as determined by a resolution of the general meeting adopted by a simple majority.

9.2. The general meeting may cancel registered share capital that has not yet been allocated, provided that the company does not have an obligation, including a conditional obligation, to allocate such shares.

9.3. The general meeting may, subject to the provisions of any law:

9.3.1. consolidate and re-divide its share capital, or any part thereof, into shares of a par value larger than the par value of the existing shares.

9.3.2. divide by a re-division of all or some of its existing shares, all or part of its share capital, into shares of a par value smaller than the par value of the existing shares.

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- 5 - 9.3.3. To reduce its share capital and any reserve fund for the redemption of capital, in the manner and under the same conditions and with the same approval as required by the Companies Law.

10.

#### **Change of Rights of Share Classes**

10.1.

Unless otherwise stipulated in the terms of the share issuance and subject to the provisions of any law, it is possible to change the rights of any class of shares following a resolution of

the board of directors of the company and its approval at a general meeting of shareholders of that class, which will be passed by a regular majority or by written consent of all the shareholders of that class. The provisions of the company's articles regarding general meetings shall apply, with necessary changes, to a general meeting of the class holders.

10.2.

The rights granted to holders of a certain class of shares issued with special rights shall not be deemed to have been changed by the creation or issue of additional shares of equal rank with them, unless otherwise specified in the terms of the issue of those shares.

11.

#### **General Meetings**

11.1.

General meetings shall be convened at least once a year, at a time and place determined by the board of directors, but no later than 15 months after the previous general meeting. These general meetings shall be called annual meetings. The other meetings of the company shall be called special meetings.

11.2.

The board of directors may convene a special meeting at its discretion and is also required to convene a general meeting if a written request is received in accordance with the provisions of section 63 of the Companies Law.

11.3. Notice of convening a general meeting shall be given at least twenty-one days before the meeting is held, or within a shorter period as permitted by law. The notice shall include the agenda, the proposed resolutions, as well as arrangements concerning voting in writing, and any detail required by law.

11.4. The notice shall be published on the company's website, or in any other manner permitted by law as determined by the board of directors. There is no need to give notice to each of the shareholders registered in the company's register of shareholders.

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11.5. An accidental omission in delivering a notice of convening a special general meeting to a shareholder entitled to receive such notice, or the non-receipt of the notice, shall not invalidate any decision made at such meeting.

## **12. Discussion at General Meetings**

12.1. The proceedings of a general meeting may not begin, and no resolution shall be adopted, unless a lawful quorum is present at the opening of the meeting or at the time of the vote on the resolution, as the case may be. A lawful quorum is the presence of at least two shareholders holding at least twenty-five (25) percent of the voting rights (including presence by proxy or voting ballot), within half an hour from the time scheduled for the opening of the meeting.

12.2. If, at the end of half an hour from the time scheduled for the beginning of the meeting, there is no lawful quorum present at the general meeting, the meeting shall be postponed for one week, to the same day, same time, and same place, or to a later date if specified in the invitation to the meeting or in the notice of the meeting (the adjourned meeting).

12.3. The lawful quorum for the commencement of the adjourned meeting shall be two shareholders (including presence by proxy or by voting ballot).

12.4. The Chairman of the Board of Directors, or another person appointed for this purpose by the Board, shall act as chairman of the general meeting. If the Chairman of the Board is absent from the meeting within 15 minutes from the scheduled time or refuses to chair the meeting, the chairman shall be chosen by the general meeting.

12.5. A general meeting with a lawful quorum may decide to adjourn the meeting to another date and to a place determined thereby.

## **13. Voting at the General Meeting**

13.1. A shareholder in the company may vote at general meetings either in person or by proxy or by voting ballot.

13.2. The shareholders entitled to participate and vote at the general meeting are those who are shareholders on the date determined by the Board of Directors in the resolution to convene a general meeting, and subject to any law.

13.3. In every vote, each shareholder shall have a number of votes in accordance with the number of shares he owns.

13.4. A resolution at the general meeting shall be passed by a simple majority unless another majority is prescribed by the Companies Law or by these articles.



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13.5.

Any resolution proposal submitted to the meeting shall be decided by a count of votes.

13.6.

[Omitted]

13.7.

The declaration of the chairperson of the meeting stating that a resolution was adopted unanimously or by a certain majority, or was rejected or was not adopted by a certain majority, shall serve as prima facie evidence of its contents.

13.8.

If the votes at the meeting are tied, the chairperson of the meeting shall not have an additional or casting vote, and the resolution submitted for a vote shall be rejected.

13.9.

The shareholders of the company may vote at a general meeting by means of a voting instrument in any case where it is required by law or as stated in the notice of the meeting.

meeting summons.

meeting.

13.10.

A shareholder may indicate the manner of their vote in the voting instrument and submit it to the company up to 48 hours prior to the commencement of the meeting. A voting instrument in which a shareholder indicates their vote, which reaches the company at least 48 hours before the scheduled start of the meeting (and in relation to an adjourned meeting – 48 hours before the date of the adjourned meeting), shall be considered as presence at the meeting, including for the purpose of fulfilling the legal quorum requirement as specified in Section 13.1 above. However, the chairperson of the meeting may waive this requirement with respect to any meeting.

13.11.

The appointment of a proxy shall be in writing signed by the appointer (hereinafter: "power of attorney").

A corporation shall vote by means of its representatives appointed by a document signed lawfully on behalf of the corporation (hereinafter: "appointment letter").

by the corporation (hereinafter: "appointment letter").

13.12.

A vote cast in accordance with the terms of the power of attorney shall be valid even if, prior to this, the appointer has died, become legally incapacitated, been dissolved, declared bankrupt, or revoked the appointment letter or transferred the share in respect of which it was given, unless a written notice has been received at the office prior to the meeting that the shareholder has died, become legally incapacitated, dissolved, declared bankrupt, or revoked the appointment letter or transferred the share as mentioned.

13.13.

The appointment letter and power of attorney or a copy certified by an attorney shall be deposited at the company's registered office at least forty-eight (48) hours prior to the scheduled time for the meeting or adjourned meeting at which the mentioned person intends to vote, but the chairperson of the meeting may waive this requirement with respect to any meeting.

13.14.

A shareholder in the company shall be entitled to vote at company meetings through several proxies, appointed by them, provided that each proxy is appointed in respect of different shares.





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Shares held by a shareholder. There shall be no prohibition on each proxy voting at company meetings in a different manner.

as above voting at company meetings differently.

13.15. If a shareholder is legally incapacitated they may vote via their board of trustees, receiver, natural guardian, or other legal guardian, and these may vote themselves or by proxy or by voting deed.

Receiver, natural guardian, or other legal guardian, and these may vote themselves or by proxy or by voting deed.

May vote themselves or by proxy or via voting deed.

13.16. Where two or more persons are joint owners of a share, upon voting on any matter only the vote of the person whose name is registered first in the register of shareholders as the owner of that share, whether in person or by proxy, will be accepted, and they are entitled to submit voting forms to the company.

Whether in person or by proxy, and they are entitled to submit voting forms to the company.

13.17. A shareholder that is a corporation may, by decision of its board of directors or other managing body, empower by a letter of appointment, any person as it sees fit, whether or not that person is a member of the corporation, to act as its attorney at any general meeting of the company in which the corporation is entitled to participate and vote, and the person so empowered shall be entitled to act as such as a company member as if they were an individual. A person holding such a letter of appointment may appoint anyone else as their agent, whether or not that agent is a member of the company.

May appoint anyone else as their agent, whether or not that agent is a member of the company.

13.18. The power of attorney and the letter of appointment shall be valid for any postponed meeting of the meeting to which they refer.

to which they pertain.

#### **14. The Board of Directors**

The board of directors shall set the policy of the company and supervise the performance of the general manager and their actions. Any authority of the company not granted by the Companies Law or in the Articles to another body may be exercised by the board of directors.

#### **15. Appointment of the Board of Directors and Termination of Service**

15.1. The number of directors in the company (including external directors) shall be determined from time to time by the annual general meeting, provided that it will not be less than four and not more than eleven directors.

15.2. At least two of the directors will be external directors as defined by the Companies Law.

16.2A. The proportion of independent directors shall be as specified below, as applicable:

(1) If there is no controlling shareholder or a holder of a controlling block of shares (in this section – controlling shareholder) – a majority of board members shall be independent directors;

A majority of the board members shall be independent directors;

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(2) If the company has a controlling shareholder – at least one third of the members of the board of directors shall be independent directors.

15.3. The directors of the company shall be elected at an annual meeting and/or at a special meeting, and shall serve in their position until the end of the next annual meeting or until they cease to serve according to the provisions of the articles of association or any law.

15.4. In addition to what is stated in section 15.3 above, the board of directors is entitled to appoint a director in place of a director whose position has been vacated and/or as an addition to the board of directors, subject to the maximum number of directors on the board as stated in section 15.1 above.

A written decision regarding the appointment of a director by the board of directors shall be valid until the next annual meeting or until he ceases to serve according to the provisions of the articles of association or any law. An appointment of a board member appointed in accordance with this section can be canceled by an ordinary decision of the board.

15.5. Subject to the provisions of any law that cannot be overridden, a director whose term has ended may be reelected.

15.6. The term of a director shall commence on the date of their appointment or on a later date if so determined in the appointment decision.

15.7. The board of directors shall elect from among its members the chairman of the board. If a chairman is not elected, or if the chairman is not present fifteen minutes after the scheduled time for the meeting, the directors present shall choose one of them to be chairman for that meeting, and the one elected shall conduct the meeting and sign the protocol of the discussion.

15.8. The general meeting may at any time remove any director from their position before the end of their term of office, whether the director was appointed by it by virtue of section 15.3 above or by the board of directors by virtue of section 15.4 above, provided that the director is given a reasonable opportunity to present their position before the general meeting.

15.9. In case a director's position becomes vacant, the remaining directors may continue to act as long as their number does not fall below the minimum number of directors set in the articles of association. If the number of directors falls below this minimum, the remaining directors may act only to fill the vacant director's position as stated in section 15.4 above or to call a general meeting of the company, and until such general meeting is convened they may act only for the purpose of managing the company's affairs in matters that cannot be delayed.

*(For context: the previous page describes the percentage of independent directors as follows: If there is no controlling shareholder in the company, a majority of the board of directors shall be independent directors.)*

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15.10. Any member of the Board of Directors, who is not an external director, may appoint a substitute for himself (hereinafter – Alternate Director). A person who is not qualified to serve as a director, as well as someone holding office as a director or as an alternate director, shall not be appointed nor serve as an Alternate Director.

The appointment or end of service of an Alternate Director shall be effected by a written document signed by the Director making the appointment. In any case, the tenure of an Alternate Director shall end if any of the cases detailed in section 15.11 below occur, or if for any reason the office of the Director he is substituting becomes vacant.

An Alternate Director shall be subject to all legal requirements and provisions of these Articles, except for provisions regarding appointment and/or dismissal of a Director as stated in these Articles.

15.11. An Alternate Director shall not be entitled to vote in place of the Director who appointed him at any meeting of the Board of Directors or a committee of the Board at which the appointing Director is present in person.

12.15.

(1) The office of a director shall become vacant in cases specified in the Companies Law.

(2) Upon death, or if declared bankrupt, and if a corporation – if it decides on voluntary liquidation or a liquidation order is made.

(3) If declared legally incompetent or disqualified.

16.

## **Board Meetings**

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16.1. The Board of Directors shall convene as required by the company, and at least once every three (3) months.

16.2. The Chairman of the Board may convene the Board at any time and must do so in the circumstances stated in section 98 of the Companies Law, in accordance with the provisions thereof.

16.3. Notice of a Board meeting shall be given to all members at least twenty-four (24) hours before the scheduled meeting. Notice of a Board meeting may be given verbally, by telephone, in writing (including facsimile or by email). The notice shall be delivered to the address of the director as previously notified to the company, and shall specify the time and place of the meeting, as well as a reasonable summary of all agenda items.

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A director who is absent from the country permanently will not be entitled to receive notifications of board meetings for the duration of their absence; however, if a director who is absent appoints an alternate director according to these regulations, such notification will be sent to the alternate director. Notwithstanding the above, the board of directors may convene a meeting without notice, provided all directors agree.

16.4. The legal quorum for the opening of a board meeting will be if a majority of the board members at that time are present (or represented by an alternate director). If there is no legal quorum for a board meeting half an hour after the scheduled time for the meeting, the meeting will be postponed to another time to be decided by the chairman of the board, or in his absence, those directors present at the convened meeting, provided that notice of the postponed meeting will be given to all directors at least twenty-four (24) hours in advance.

The legal quorum for opening a postponed meeting will not be less than two directors.

16.5. Decisions of the board of directors will be made by a majority of those present.

16.6. A written decision signed by all the directors, or with which all directors have agreed in writing, as well as a decision made through the use of any means of communication, provided that all participating directors can hear each other simultaneously, will have the same validity for all purposes as if it were adopted at a duly convened board meeting.

16.7. The board of directors is entitled to make decisions even without actual convening, provided that all the directors entitled to participate in the discussion and vote on the matter have agreed to it. If decisions are made as stated in this section, the chairman of the board will record the protocol of the decisions.

16.8. If the votes in the board of directors are tied, the chairman of the board will not have an additional or decisive vote, and the proposed decision will be rejected.

17.

#### **Board Committees**

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17.1. The board of directors may establish committees and appoint their members from among the board of directors (hereinafter - a board committee). If board committees are established, the board will determine in their empowerment terms whether certain powers of the board will be delegated to the committee so that a decision of the board committee will be deemed a board decision, or whether the committee's decision will merely be a recommendation subject to the approval of the board of directors, provided that decision-making powers regarding matters listed in Section 112 of the Companies Law will not be delegated to the committee except as specified in that section.

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17.2. The provisions included in these Articles regarding meetings of the board of directors and voting therein, with the necessary modifications and subject to the resolutions of the board of directors regarding the committee's meeting procedures (if such resolutions exist), shall apply to meetings and discussions of any board committee composed of two or more members.

The board of directors and the voting therein, with the necessary modifications and subject to the resolutions of the board of directors regarding the committee's meeting procedures (if such resolutions exist).

The board of directors on the subject of the committee's meeting procedures (if there are such resolutions).

17.3. A board committee may be composed of one director (provided that he is an external director as defined in the Companies Law) or of several directors (provided that one of them is an external director).

External director as defined in the Companies Law) or of several directors (provided that one of them is an external director).

(provided that one of them is an external director).

**18. Chief Executive Officer**

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The board of directors of the company shall appoint a Chief Executive Officer and may appoint more than one Chief Executive Officer.

The Chief Executive Officer shall be responsible for the routine management of the company's affairs within the framework of the policy set by the board of directors and subject to its guidelines.

As determined by the board of directors and subject to its instructions.

**19. Insurance, Indemnification and Exemption**

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19.1. The company may indemnify an officer thereof retroactively for a liability or expense as specified in sections 19.1.1-19.1.7 below, which was imposed on him or which he incurred, due to an act performed by virtue of his being an officer in the company:

As detailed in sections 19.1.1-19.1.7 below, which was imposed on him or which he incurred, due to an act performed by virtue of his position as an officer in the company:

An act performed by virtue of his being an officer in the company:

19.1.1. A financial liability imposed on him in favor of another person by court judgment, including a judgment rendered in compromise or an arbitrator's award approved by a court;

By court judgment, including a judgment rendered in compromise or an arbitrator's award approved by court;

That was approved by a court;

19.1.2. Reasonable litigation expenses, including attorney's fees, incurred by the officer due to an investigation or proceeding conducted against him by an authority authorized to conduct an investigation or proceeding, which ended without the filing of an indictment against him and without a financial liability being imposed on him as an alternative to criminal proceedings, or which ended without the filing of an indictment against him but with the imposition of a financial liability as an alternative to criminal proceedings for an offense that does not require proof of criminal intent or in connection with a financial sanction. For this purpose:

Litigation expenses, including attorney's fees, incurred by the officer due to an investigation or proceeding conducted against him by an authorized authority, and which ended without an indictment filed against him and without a financial liability being imposed as an alternative to criminal proceedings, or which ended without an indictment but with a financial liability imposed as an alternative to criminal proceedings for an offense that does not require proof of criminal intent, or in connection with a financial sanction. For this purpose:

**Conclusion of the proceeding without the filing of an indictment in a matter in which a criminal investigation was opened and a financial liability as an alternative to criminal proceedings – as defined in section 260(a)(1a) of the**



**Companies Law, as amended from time to time.**

Conclusion of the proceeding without the filing of an indictment in a case in which a criminal investigation was opened and financial liability as an alternative to criminal proceedings – as defined in section 260(a)(1a) of the Companies Law, as may be amended from time to time.

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19.1.3. Reasonable litigation expenses, including attorney's fees, incurred by the officer or for which the officer was charged by the court, in proceedings filed against him by the company or on its behalf or by another person, or in a criminal charge for which he was acquitted, or in a criminal charge where he was convicted of an offense that does not require proof of criminal intent.

19.1.4. For payment to the victim of the breach within the framework of an administrative enforcement proceeding, as stated in Section 52ND(a)(1)(A) of the Securities Law, 1968, as amended from time to time (the Securities Law).

19.1.5. Expenses incurred by the officer in connection with an administrative enforcement proceeding conducted regarding him, including reasonable litigation expenses, including attorney's fees.

19.1.6. Expenses incurred by the officer in connection with a proceeding according to the Economic Competition Law, 1988, conducted regarding him, including reasonable litigation expenses, including attorney's fees;

19.1.7. Any liability or other expense for which it is permitted and/or will be permitted to indemnify an officer according to any law, as amended from time to time.

19.2. The company may commit in advance towards an officer to indemnify him for any liability or expense as detailed in Section 19.1 above, in each of the following:

(a) As detailed in Section 19.1.1, provided that the commitment is limited to events which, in the opinion of the board of directors, are likely in view of the actual business of the company at the time the commitment is made for indemnification, as well as to a sum or criterion determined by the board as reasonable under the circumstances, and the indemnification commitment shall specify the events which, in the opinion of the board, are likely in view of the company's business at the time the commitment is given, as well as the sum or criterion determined by the board as reasonable in the circumstances;

(b) As detailed in Sections 19.1.2–19.1.7.

19.3. In any case, the indemnification amount that the company shall pay (in addition to the amounts received from the insurance company, if received, in the framework of insurance acquired by the company), for all officers of the company cumulatively, shall not exceed 25% of the company's equity according to its most recent financial statements as at the date of actual indemnification payment. The company may enter into a liability insurance contract for an officer, due to a liability imposed on him and/or expenses incurred or to be incurred as a result of actions taken by him in his capacity as an officer, in each of the following:

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19.3.1. Breach of duty of care towards the company or towards another person;

19.3.2. Breach of fiduciary duty towards the company, provided that the officer acted in good faith and had reasonable grounds to believe that the action would not harm the interests of the company;

19.3.3. A financial liability imposed on the officer in favor of another person;

19.3.4. A financial liability imposed on an officer for the benefit of those harmed by the breach, within the framework of an administrative enforcement proceeding as stated in section 52ND(a)(1)(a) of the Securities Law;

19.3.5. Expenses incurred or to be incurred by an officer in connection with an administrative enforcement proceeding conducted against them, including reasonable litigation expenses, including attorney's fees;

19.3.6. Expenses incurred or to be incurred in connection with a proceeding conducted pursuant to the Economic Competition Law, 1988, and/or related to it, including reasonable litigation expenses, including attorney's fees;

19.3.7. Any other liability or expense which it is possible and/or will be possible to insure the liability of an officer by law, as amended from time to time.

19.4. The company may enter into an insurance contract for the liability of any person, including an officer of the company, who is serving or served on behalf of the company or at its request as a director in another company in which the company holds shares, directly or indirectly, or in which the company has any interest, for a liability imposed on them as detailed in section 19.3 above and subject to the limitations in section 19.3 above, in relation to acts performed as a director in the other company.

19.5. The provisions of this section 19 above shall not derogate from the right of the company to insure and/or indemnify any person who is not an officer of the company, including, without limiting the generality of the above, any employee, agent, advisor, or contractor of the company who are not officers of the company; and/or any officer of the company to the extent that such insurance and/or indemnification is permitted by law; and all subject to such a decision being approved by the company's audit committee.

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19.6.

Subject to the provisions of any law, the company may, whether in advance or retroactively, exempt an officer therein from all or part of their liability, due to damage as a result of a breach of the duty of care towards it.

Notwithstanding the above, the company may not exempt in advance a director from his liability towards it due to a breach of the duty of care in a distribution or in connection with a decision or transaction in which a controlling shareholder or any officer of the company (even if it is another officer than the one to whom the exemption is granted) has a personal interest.

## 20. Auditor

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20.1.

The annual general meeting shall appoint an auditor for the company. The auditor shall serve in office until the end of the following annual general meeting, or for a longer period as determined by the annual meeting, provided that the period of office does not exceed the end of the third annual meeting after the one in which he was appointed.

20.2.

The remuneration of the auditor for the audit function shall be determined by the board of directors.

## 21. Signing on Behalf of the Company

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21.1.

The signatory rights on behalf of the company shall be determined from time to time by the board of directors of the company.

21.2.

The person signing on behalf of the company shall do so together with the imprint of the company's stamp or next to its printed name.

## 22. Dividend and Bonus Shares

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22.1.

The company's decision regarding the distribution of a dividend and/or the distribution of bonus shares shall be made by the board of directors of the company.

22.2.

The shareholders entitled to a dividend are the shareholders at the time of the decision on the dividend or at a later date if another date is set in the resolution on the dividend distribution.

22.3.

Cash dividends and bonus shares shall be paid or distributed, as the case may be, to the shareholders in proportion to the nominal value of the capital, paid up or deemed paid up, on their shares and without regard to any premium paid on them.

22.4.

Unless otherwise determined by the board of directors, any dividend may be paid by cheque or payment order sent by mail to the registered address of the shareholder or of the person entitled to it, or in the case of joint owners.

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Registered in the name of the same shareholder whose name appears first in the register of shareholders, in relation to joint ownership. Any such check shall be made payable to the person to whom it is sent. The receipt of a person whose name is registered in the register of shareholders on the date the dividend is declared as the owner of any share, or in the case of joint owners, of any one of the joint owners, shall serve as confirmation with regard to all payments made in connection with that share and for which such receipt was given.

22.5. For the purpose of implementing any resolution pursuant to the provisions of this section, the board of directors may resolve at its discretion any difficulty that arises with respect to the distribution of the dividend and/or bonus shares, including determining the value for the purpose of the said distribution of certain assets, and deciding that cash payments shall be made to members based on the value thus determined, and to set provisions regarding share fractions or regarding non-payment of amounts less than 200 NIS.

22.6. The board of directors may withhold any dividend or bonus shares or other benefit rights in respect of a share over which the company has a lien, and may use any such amount or the consideration received from the sale of any bonus shares or other benefit right for the repayment of the debts or obligations for which the company has the lien.

22.7. The board of directors may deduct from any dividend or other benefit rights all such sums as the holder of the share in respect of which the dividend is paid or in respect of which the other benefit rights are granted owes the company for that share, whether the time for payment has come or not.

22.8. A dividend or other benefit rights in respect of shares shall not bear interest.

### **23. Redeemable Securities**

The company may, subject to any law, issue securities redeemable under such conditions as shall be determined by the board of directors.

### **24. Donations**

The company may donate a reasonable sum of money for a worthy purpose.

### **25. Accounts**

25.1. The company shall keep accounts and prepare financial statements in accordance with the Securities Law and any law.

25.2. The account books shall be kept at the registered office of the company or at such other place as the directors may determine, and shall always be open to inspection by the directors.

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26.  
**Notices**

26.1.  
Subject to any law, any notice or other document that the Company delivers and which it is permitted or required to give according to the provisions of these Articles and/or the Companies Law, shall be given by the Company by publishing on the Company's website,  
via the distribution system of the Israel Securities Authority, or in any other manner determined by the Board of Directors and permitted by law.

26.2.  
When it is necessary to give advance notice of a certain number of days or a notice valid for any specific period, the day of delivery shall be counted as part of the number of days or period, all subject to the provisions of any law.

27.  
**Approval of a Non-Exceptional Transaction**

Subject to the provisions of the Companies Law, a transaction of the Company with an officer thereof, as well as a transaction of the Company with another person in which an officer of the Company has a personal interest and which is not an exceptional transaction, requires the approval of the Board of Directors of the Company or another person authorized for this purpose by the Board of Directors.

28.  
**Amendment of the Articles**

These Articles may be amended by decision of the shareholders at the general assembly by a regular majority.

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