**REGISTRAR OF COMPANIES**

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Receipt no. \_\_\_\_\_\_\_\_\_  
Approved by \_\_\_\_\_\_\_\_

Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Stamp \_\_\_\_\_\_\_\_\_\_\_\_\_

MINISTRY OF JUSTICE

Corporation Authority

Registrar of Companies and Partnerships

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**Company Law, 5759-1999**

**Articles of Association of**

**Exelot Ltd.**

1. **Interpretation**
   1. In these Articles of Association, each of the terms listed below will have the meaning appearing beside it, unless the context requires otherwise:

“**Company**” – means as defined in Section 2 of these Articles.

“**Law**” – means the Company Law, 5759-1999 and/or the regulations passed thereunder in effect from time to time.

* 1. Terms and words not defined otherwise in these Articles will have the meaning given to them in the Law, unless the context requires otherwise. What is stated in the singular includes the plural, and vice versa; what is stated in the masculine gender includes the feminine, and vice versa. A person also means a member, person and corporation.

1. **Name of the Company**

In Hebrew: אקסלוט בע"מ

In English: Exelot Ltd.

1. **Purposes of the Company**
   1. The purpose of the Company is to deal in any legal business.
   2. The Company may contribute a reasonable amount to a suitable purpose, even if the contribution is not in the framework of business considerations as stated, as will be determined by the board of directors.
2. **Registered share capital of the Company**
   1. The registered share capital of the Company is equal to 1,000,000 ordinary shares with no par value.
   2. The rights attached to the ordinary shares of the Company will be equal, and every paid-up ordinary share will have one vote in voting in the general meeting.
3. **Liability of a shareholder**
   1. The liability of a shareholder in the debts of the Company is limited to paying up of the amount he undertook to pay for the shares allocated to him and which have not yet been paid up, if any so exist.
   2. The Company may not change the liability of a shareholder or obligate a shareholder to purchase additional shares without his consent.
4. **Exceptions**
   1. The transfer of Company shares is subject to and stipulated on what is stated in these Articles of Association.
   2. The Company is not authorized to offer, and is prohibited from offering, shares or debentures to the public.
   3. The number of shareholders in the Company will not exceed fifty, other than Company employees or those who have been its employees, and while being its employees and even after having ceased to be employed continue to be shareholders in the Company. Two or more (joint partners) who have one or more shares together in the Company, for the purposes of what is stated above, will be deemed one shareholder.
5. **Shares**
   1. Without harming the special rights of Company shareholders, if any so exist, the Company may allocate and issue preferred or common shares or issue, out of capital which has not yet been issued, preferred shares or shares with other limited or special rights or voting rights, disposal of capital or in connection with other matters as determined by the Company from time to time in a decision in the general meeting or of the board of directors, as the case may be.
   2. If at any time whatsoever, the share capital is divided into different classes of shares, the Company, by means of a decision of the shareholders (unless the issuing terms of that class of shares stipulates otherwise), may change, convert, expand, add or in any other manner change the rights, privileges, advantages, limitations and provisions connected or unconnected at that time with one of the classes, or as determined by a decision of the shareholders taken in a general meeting of shareholders of that class. The provisions in these Articles of Association regarding general meetings will apply, *mutatis mutandis*, to any such class meeting.
   3. The shares will be under the supervision of the board of directors, which may allocate them at its own discretion for a cash or other, non-cash consideration, in those classes and under those terms, and on those dates which the board of directors sees fit, and with all the authority to submit payment demands to any such shares, during that time and for that consideration which the board of directors sees fit, on condition that such a payment demand is issued to all the shareholders.
   4. If, under the terms of any share issue whatsoever, the payment for the share, in all or in part, is to be made in increments, then each such increment will be paid on its payment date by the person who is the registered owner of the shares at that time, or by his guardians, or by anyone legally holding the shares at that time.
   5. Unless otherwise stipulated in these Articles of Association, the Company may consider the registered owner of every share as the absolute owner, and accordingly, it will not be obligated to recognize any claim on the basis of an equity right or on another basis with regard to such a share, or with regard to a benefit therein on the part of any other person, unless an order is given by an authorized court or if this is required by law.
   6. The provisions of Section 290(A) of the Company Law will not apply to the Company.
   7. The Company, subject to the provisions of the Company Law, may issue redeemable securities and may redeem them.
6. **Transfer of shares**
   1. Every share transfer requires the approval of the board of directors, which may, as it sees fit at its sole discretion, without giving any reason whatsoever, refuse to approve any transfer of shares.
7. **The general meeting**
   1. The Company may accept a decision of a general meeting without a summoning, on condition that the decision is reached unanimously by all the shareholders entitled to vote in the general meeting. If a decision is taken as stated, the chairman of the board of directors, and if there is no chairman – the director who promoted the decision, will record the minutes of the decision and will attach the signature of all the shareholders to it, as stated.
8. **The board of directors**
   1. The number of members of the board of directors will be fixed from time to time in a decision of the general meeting, on condition that it is no less than one director.
   2. The board of directors may choose from among its members a chairman of the board. The chairman of the board will administer the meetings of the board of directors and will sign the minutes of the discussion. The chairman of the board will not have an additional or decisive vote.
   3. The board of directors may hold meetings of the board by making use of communication media, including conference calls, on condition that all the directors participating can hear one another simultaneously. Each director participating in the meeting as stated will be deemed to be present at the meeting of the board.
   4. The board may make decisions without actually meeting, on condition that all the directors who are entitled to participate in the discussion and to vote in the matter being brought for a decision have agreed to this. If a decision is taken as described above, the chairman of the board, and if there is no chairman – the director who promoted the decision, will record the minutes of the decision and will attach the signatures of all the directors to it as described above. Minutes as described above will be deemed the equivalent of minutes of a meeting of the board.
   5. Each director may appoint a substitute director for himself (who will be referred to hereinafter as a “**Substitute Director**”). A person may be a substitute for a member of the board if he is qualified to serve as a director in the Company, or if he is already serving as a director or a Substitute Director in the Company. A Substitute Director will have a voting right equal to that of the director who appointed him. Subject to his letter of appointment, a Substitute Director will have all the powers granted to the board member who he is replacing. The term of office of a Substitute Director will terminate automatically upon the dismissal of the member who appointed him, or when the position of the board member who appointed him is vacated for any reason. In the event that a board member is prevented by law or for another reason from participating or voting in a board meeting, this member may appoint a Substitute Director to participate in the meeting and/or to vote in his place.
9. **Signatory rights**
   1. The board of directors will determine the person or persons authorized to sign in the name of the Company, including a person who is not a director, as well as the form of the signature.
10. **Notices**
    1. The Company can deliver a notice to each shareholder at his registered address, as it appears in the registry, by personal delivery or by sending it by mail, by fax, as well as in an envelope or in a package paid for in advance, addressed to that same shareholder.
    2. All notices regarding shares to which persons are jointly entitled will be delivered to that person among them whose name is recorded first in the registry, and a notice given as stated will be deemed a sufficient notice to all these shareholders.
    3. Any notice sent by registered mail will be deemed to have been delivered within three business days from the day on which it was presented at a post office for delivery, or with a confirmation of delivery in a personal delivery, or with an electronic confirmation regarding delivery if it was sent by fax on a business day (or within one business day if sent by fax other than on a business day).
    4. If a person becomes entitled to any share by law, transfer or by any other means whatsoever, he will be in contact, regarding any notice for this share when properly delivered before his name is recorded in the registry, with the person from whom his right to the share comes.
    5. If a notice to shareholders regarding a meeting has not been sent inadvertently, or if such a notice has not been received by the shareholder, this in itself will not harm the validity of any decision taken in such a meeting.
11. **Exemption, insurance and indemnification**
    1. Subject to the provisions of law, as they exist from time to time, the Company may indemnify an officer in the Company for a liability or expense imposed upon him or which he has expended due to an action he has undertaken as an officer in the Company, as detailed below:
       1. A financial liability imposed upon him in favor of another person by law, including a judgment given in a compromise or arbitration ruling not given by a court.
       2. Reasonable litigation expenses, including attorney fees spent by an officer due to an investigation or legal procedure conducted against him by an authority competent to conduct an investigation or a procedure which concluded without the filing of an indictment against him and without a financial liability having been imposed upon him as an alternative to a criminal procedure or which concluded without the filing of an indictment against him and without a financial liability having been imposed upon him as an alternative to a criminal procedure in an offense which does not require proof of criminal intent; in this paragraph:
12. The conclusion of a legal procedure without the filing of an indictment in a matter in which a criminal investigation was opened – means the closing of the file under Section 62 of the Criminal Procedure Law [Consolidated Version], 5742-1982, or the delay of the procedure by the Attorney General under Section 231 of the Criminal Procedure Law [Consolidated Version] 5742-1982;
13. “Financial liability as an alternative to a criminal procedure” – a financial liability imposed by law as an alternative to a criminal procedure, including an administrative fine under the Administrative Offenses Law, 5746-1985, a fine on an offense determined as a finable offense pursuant to the provisions of the Criminal Procedure Law, Financial Sanction or Penalty;
    * 1. Reasonable litigation expenses, including attorney fees expended by the officer or with which he was charged by a court in a procedure filed against him by the Company or on behalf of it or by another person, or regarding a criminal charge of which he was acquitted, or regarding a criminal charge in which he was convicted of an offense which does not require proof of criminal intent.
      2. Any incident, circumstances, liability or other state of affairs for which the Company, at present or in future, can indemnify an officer of the Company under the provisions of law, and if the provisions of the law state that the validity of the provision is stipulated on the articles of association of the Company including a provision which permits indemnification in such cases, then this provision will be deemed to be included in these Articles (including, without derogating from the generality of what is written, as stated in Section 56H of the Securities Law, 5728-1968 and Section 50O of the Antitrust Law, 5748-1988, in their version from time to time).
    1. The Company may give an advance undertaking to indemnify one of its officers in each of the following cases:
       1. As detailed in Article 13.1.1, on condition that the indemnification undertaking is limited to incidents which, in the opinion of the board of directors, are expected, in light of the actual activity of the Company at the time the indemnification undertaking was given as well as to the amount or the criterion which the board has determined, are reasonable under the circumstances, and that in the undertaking, the incidents which, in the opinion of the board of directors are expected in light of the actual activity of the Company at the time the undertaking was given, are stated as well as the amount or the criteria which the board has determined are reasonable under the circumstances;
       2. As detailed in Article 13.1.2, 13.1.3 or 13.1.4;
    2. Subject to the provisions of law, the Company may indemnify a Company officer retroactively.
    3. Subject to the provisions of law, as it exists from time to time, the Company may exempt a Company officer in advance from liability, in all or in part, due to damage following a breach of the duty of care toward it.
    4. Nothing in what is written above limits the Company in any way in the matter of the purchase of insurance and/or indemnification:
       1. Regarding persons who are not officers, including employees, agents, consultants or contractors of the Company; and/or
       2. Regarding any officer if said insurance and/or indemnification is not specifically and expressedly prohibited by law.
    5. Subject to the provisions of law, as it exists from time to time, the Company may sign a contract for liability insurance for a Company officer, in all or in part, regarding liability imposed on that officer due to an action he has taken as an officer in the Company, for any one of the following:
       1. A breach of the duty of care – as this term is defined in Mark A of Chapter Three Part Six of the Company Law – toward the Company or toward any other person.
       2. A breach of fiduciary duty – as this term is defined in Mark B of Chapter Three Part Six of the Company Law – toward the Company, on condition that the officer acted in good faith and had a reasonable basis to assume that the action would not harm the good of the Company.
       3. A monetary liability imposed on him in favor of another person due to an action he has taken as officer in the Company.
       4. Any incident, circumstances, liability or other state of affairs for which the Company, at present or in future, can insure an officer of the Company under the provisions of law, and if the provisions of the law state that the validity of the provision is stipulated on the articles of association of the Company including a provision which permits insurance in such cases, then this provision will be deemed to be included in these Articles (including, without derogating from the generality of what is stated, as stated in Section 56H of the Securities Law, 5728-1968 and Section 50O of the Antitrust Law, 5748-1988, in their version from time to time).

**- - -**

**In witness thereof we have signed:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Name of signatory** | **No. of shares allocated** | **Address** | **ID/PC** | **Signature** |
| Dov Lahman | 150 | 22 Savion, Matan | 57667669 | (-) |
| Dov Lahman – in trust for Daniel Cohen | 7,717 | 22 Savion, Matan | 57667669 | (-) |
| Dov Lahman – in trust for Ido Ofir | 1,100 | 22 Savion, Matan | 57667669 | (-) |
| Dov Lahman – in trust for Itai Ofir | 33 | 22 Savion, Matan | 57667669 | (-) |
| Dov Lahman – in trust for Assaf Shalev | 100 | 22 Savion, Matan | 57667669 | (-) |
| Dov Lahman – in trust for Haim Prochter | 150 | 22 Savion, Matan | 57667669 | (-) |
| Yitzhak Varsno | 750 | 22 Savion, Matan | 22397665 | (-) |

Confirmation

I the undersigned, (handwritten) Uri Sivan, Atty., of 16 Abba Hillel Silver Street, Ramat Gan, verify with my signature the identity of the person/s signed above:

(Stamp and signature)

**Uri Sivan, Atty.**

16 Abba Hillel Silver St., RG

Date: 1.5.2016 License no. 74353

Signature

(-)

(stamp) **Identical to the original**

**REGISTRAR OF COMPANIES**

JERUSALEM

ISRAEL

MINISTRY OF JUSTICE

Corporation Authority

Registrar of Companies and Partnerships

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