**Agreement which was written in Jerusalem on \_\_\_\_\_\_\_\_\_\_\_\_**

**Between:**

Mr. Yirmiyahu Ben David, ID 015681620

92/1 Mitzpeh Nevo, Maale Adumim

**(hereinafter: “Yirmiyahu”)**

**And:**

Dr. Michael Hammer, ID 337600860

6 Amos Hanavi Street Modi’in

**(hereinafter: “Mike”)**

**And:**

**JMB Davis Ben-David Ltd.**

Beck Science Center, 8 Hartom Street, Har Hahotzvim Jerusalem

**(hereinafter: “the Company”)**

**Yirmiyahu and Mike and/or any entity which may in future join the Company will be called “the Shareholder” or jointly “the Shareholders”, as appropriate.**

**Whereas:**  Yirmiyahu is the sole Shareholder in the Company and the owner of the patent writing office **JMB DAVIS BEN-DAVID PATENTS, TRADEMARKS & DESIGNS** **(hereinafter: “the Office”);**

**And whereas:** From 1 January 2019 (“**Effective Date**”), Yirmiyahu wishes to add Mike as a Shareholder in the Company and a partner in the Office and to draw up an agreement between them which will set out the entirety of the relationship between them and all their obligations and rights in the Company and in the Office in writing;

**Therefore: the Parties have declared and agreed as follows:**

1. **Preamble and Headings**
	1. The Preamble, together with all the declarations included therein, constitutes an integral part of this Agreement.
	2. The headings of the Section of this Agreement are for convenience only and are not to be used for its interpretation.
2. **Appendices:**
	1. The Appendices to the Agreement listed below constitute an integral part thereof.
	2. In any case of a contradiction between this Agreement and its Appendices, the following rules will apply:
		1. For any contradiction the subject of which is a material right or obligation, the language of the Agreement will prevail.
		2. For any contradiction the subject of which is procedural, what is stated in the Appendix arranging this subject will prevail.
	3. List of Appendices:
		1. **Appendix A** – Percentages of the holdings of the Shareholders and Seniority in the Company.
		2. **Appendix B** – The incorporation documents of the Company and the Company extract.
		3. **Appendix C** – A summary of the financial statement to the end of 2018 prepared by Accountant David Aminoff from a test balance immediately after the end of the year and before the execution of the audit on the Company books, in the framework of which, updates and corrections are expected to the balance sheet and the final audited profit and loss statement.
		4. **Appendix D** – An unaudited trial balance for the first quarter of 2019.
3. **The Shareholders, the Company, its Name and its Activity**
	1. On the Date of Validity of this Agreement (as to be defined in Section 8.1 below), the sole Shareholder in the Company is Yirmiyahu.
	2. Starting from the Effective Date, Mike will join as a Shareholder in the Company.
	3. After the addition of Mike to the Company, the shareholding between the Shareholders will be as detailed in **Appendix A**, which may be changed in accordance with decisions in the Company as detailed in Section 6 below.
	4. The Company acts with the aim of providing services in the field of intellectual property and in additional fields in accordance with decisions in the Company as detailed in Section 6 below.
	5. As of the date of signing of this Agreement, the name of the Office is “**JMB DAVIS BEN-DAVID**”.
	6. None of the Shareholders has a right to make use of the name of the Company and/or the name of the Office, except in the framework of his activity under the name of the Company and for the Company’s clients as detailed in Section 3.4 above.
4. **Declarations, Rights and Obligations of the Shareholders**
	1. The Shareholders declare and agree that their signing this Agreement and its execution are not contrary to law and/or to any agreement whatsoever to which they are parties; in addition, there is no limitation, prohibition or requirement for approval, in law and/or by agreement, to their signing this Agreement and the execution of their undertakings pursuant to it.
	2. The Shareholders agree that what is stated in this Agreement expresses and exhausts all the presentations and/or agreement both written and/or oral made and/or exchanged and/or shown among them in the past and/or with regard to the entry of Mike into the Company and/or the activity of any of the Shareholders in the framework of the Company, including the agreement signed between the Company and Mike on 26 May 2016, the provisions of which will be replaced by the provisions of this Agreement.
	3. The Parties confirm by their signature that they have examined the financial condition of the Company with regard to its assets, debts and undertakings, including debts and undertakings to Yirmiyahu, including what is shown in **Appendix C**, and they have consulted, legally, economically, from the point of view of accounting and taxation, with any consultant and/or professional whom they considered relevant to their signing of this Agreement and have signed this Agreement after said examination and consultation.
	4. The rights and obligations of each Shareholder in the Company are personal. A Shareholder may not endorse, encumber or pledge his rights in the Company or any right under this Agreement or any portion thereof. The Shareholder is aware that if a lien is imposed on, or a receiver, trustee or liquidator is appointed for, his rights in the Company or his rights under this Agreement or a portion thereof or there is an intention to impose a lien on, or to appoint a receiver, trustee or liquidator for, his rights in the Company or his rights under this Agreement or a portion thereof, he will immediately notify the Company and will take every possible action for the prevention or annulment of the above-mentioned lien or appointment.
	5. Every Shareholder will act with maximum trustworthiness, honesty and good faith toward the Company and toward the other Shareholders. Every Shareholder will do his best and will devote all his time and effort to promote the Company’s business and to maximize its profits. The Shareholder will avoid any action, investment or participation or consultation in a manner which could create a conflict of interests or a risk of a conflict of interests with the Company and its business or which is liable to harm its reputation.
	6. The Shareholders will devote all his time to the Office at a scope which will not be less than a full-time position. The Shareholder may not deal in any occupation for a consideration outside the Office (other than academic teaching at a limited scope to be approved by the Company), without the approval of the Company. The Shareholder, without the approval of the Company, may not deal in any occupation without consideration, if such an occupation could disturb him in the execution of his function in the Office or take up his time at a scope which is liable to harm his work in the Office.
	7. All the income of the Shareholder from the writing of patents and/or consultation on intellectual property and the accompanying occupations according to customary and accepted practice in being engaged in intellectual property and/or as a patent writer will belong to the Company and will be transferred to it immediately upon receipt. In this matter, “income” includes gifts (other than minor items) and benefits which deviate from what is customary, personal bonuses, shares, options, convertible and nonconvertible papers, as well as other rights, in cash and/or cash-equivalent, given to the Shareholder directly or indirectly by Company clients and/or in matters connected with his activity in the Office.
	8. The Shareholders undertake that the professional handling of a payment accompanying any business activity which they have mastered, in determining the identity of the person executing the professional handling will be done in the Office if the Office handles the relevant field, and as far as possible, they will act for this purpose to the best of their ability even if they are not experts in the matter. And in any case and for any purpose, a consideration for any professional service whatsoever accompanying the business activity of any of the Shareholders will be paid to the Office at the fee values customary in the Office.
	9. If at a certain stage in the life of the Company, any of the Shareholders should incorporate as a single-shareholder company and/or in future a Shareholder may join the Company who is incorporated as a single-shareholder company (hereinafter: “**Single-Shareholder Company**”), the following provisions will apply:
		1. Such incorporation will be done in consultation with the Company’s accountants.
		2. A Shareholder who incorporates as a Single-Shareholder Company undertakes to be the controlling shareholder of that company and its sole shareholder and director (hereinafter: “**the Controlling Shareholder**”).
		3. Wherever the provisions of this Agreement deal with the term “Shareholder” and/or “partners”, this term will apply for all intents and purposes to a Controlling Shareholder and/or a Single-Shareholder Company.
		4. The Single-Shareholder Company and the Controlling Shareholder will not transfer and will not allocate any shares in the Single-Shareholder Company to any other person whatsoever without the approval of the Company.
		5. The Controlling Shareholder will personally comply with everything stated in this Agreement and will be a guarantor for the remaining undertakings of the Single-Shareholder Company under this Agreement, with no need for a signature on any additional document whatsoever.
	10. In the event of a lack of legal competency of any of the Shareholders or in the event of death, the provisions of this Agreement, other than what is stated in Section 7.8 below, will apply to his replacement (estate, trustee, guardian, liquidator, receiver, etc.).
5. **Company Assets**
	1. “**Company Assets**” include all the property, assets, reputation and rights of the Company, tangible and intangible, including a right to a fee for which bills have been issued and not yet paid, a right to a fee for work which has been executed, in part or in full, for which no bill has yet been issued, a right to a fee stipulated on expenses which has not yet been paid to the Company, post-dated checks held by the Company for a fee, money, shares and options for shares and convertible and nonconvertible papers received by the Company or which the Company is entitled to receive, whether or not they are held by the Company. All of these, less the company liabilities of every kind and sort, including to employees, suppliers, banks and third parties, and in general all of these assets, debts and liabilities (including debts to Yirmiyahu) as detailed in **Appendix C**.
	2. The Shareholders’ portions in the Company Assets are their percentage of holdings in the Company as detailed in **Appendix A** times the total assets and credits included in the Company Assets, less debts and liabilities of the Company of every type and sort, including to employees, suppliers, banks, partners and third parties.
6. **Decision Making in the Company**
	1. The Shareholders agree that the management of the Company and the Office as well as the decision making will be done by full consensus among them with a view to the aggregate good of the Company. In addition to what is stated above and/or in the absence of a consensus among the Shareholders, the rules detailed in this Section 6 below will apply.
	2. A meeting of the Shareholders will be held from time to time at a frequency and according to a mechanism to be determined by the Parties. A quorum for holding a Shareholders’ meeting will be the presence of the holders of 50% of the Company shares, on condition that Yirmiyahu is present at the meeting. Whenever any of the Shareholders cannot come to the meeting which was summoned as stated, the meeting will be held by telephone. The Shareholders will act so that every Shareholders’ meeting will have written minutes which will be signed by the Shareholders and which reflects what was said and the decisions reached, and they will be kept at the Offices of the Company.
	3. A Shareholder who has a personal interest in a subject brought for a decision of the Shareholders’ meeting will announce his personal interest in advance, but he will not be prevented, solely on the grounds of his personal interest, from voting on that same matter.
	4. For making a decision with regard to a change of the terms of the model for the retirement of a Shareholder, as detailed in Sections 9-14 to this Agreement, the unanimous consent of all the Shareholders is required. Alternatively, a Shareholder who objects to such a decision will be entitled to resign from the Company and will be entitled to the rights listed in Section 11 below.
	5. For making a decision on the following subjects, a majority of at least 55% of the percentages of holdings in the Company is required, on condition that the vote of Yirmiyahu is included in this majority: a change in the provisions of this Agreement, other than on the subject of the economic terms and conditions for the retirement of a Shareholder as detailed in Section 6.4 above; a change in the purpose of the activity of the Office; a merger of the Office; a change in the name of the Office or the order of the list of Shareholders and the order of the professional staff; the addition of Shareholders (including as contractual partners); a change in the profit distribution model in the Company; a change in the corporate model of the Company; the liquidation of the Company or the Office and decisions in the matter of such a liquidation, the removal of Shareholders under the terms fixed in this Agreement; decisions in matters of retirement which do not fall within the definition stated in Section 6.4 above, including the establishment of a retirement fund; a transfer of Offices; the opening of branches; the appointment of a managing partner or a decision at any time on the continuation of his tenure or a decision on the various fields of responsibility of the Shareholders; a loan, encumbrance, endorsement, guarantee, the taking of transfer credit and/or any transaction with the Company Assets and/or in its name, other than actions as a part of the normal course of business; a determination/change of the signature rights in the bank account of the Company; choosing/replacing an accountant and/or tax consultant and/or bookkeeper; approval of an annual work plan and budget; the introduction of a family member as an employee or Shareholder in the Company; a compromise or waiver in the name of the Company on income of any kind and sort whatsoever; receiving patent writers and staff employees to the Office and their dismissal; approval of the fee models, purchase of insurance for the Shareholders.
	6. The Shareholders agree that the management of the Company and the Office will be done by the managing partner to be chosen by majority as detailed in Section 6.5 above. The managing partner on the Effective Date is Yirmiyahu.
	7. Subject to the decision making mechanism in Sections 6.4 and 6.5 above, the powers of the managing partner are as follows:
		1. Submitting an annual work plan and budget. For the avoidance of doubt, it is agreed and clarified that whenever there is no work plan and/or budget, this will not amount to a breach of this Subsection.
		2. Execution of and responsibility for an annual work plan and budget. For the avoidance of doubt, it is clarified that whenever there is no work plan and/or budget, this will not amount to a breach of this Section.
		3. Responsibility for financial management, including (if it exists) follow-up of the targets of the partners, departments, work groups, patent writers, paralegal trainees, etc.
		4. Responsibility for the marketing plan and management of the clients.
		5. Responsibility for the administrative manpower.
		6. The hiring of an administrative manager for the Office and/or a finance manager and the delegation of his powers to them.
		7. Responsibility for the training and enrichment programs and the Office library.
		8. Ongoing responsibility for the management of the workplace in the Office and its current operation.
		9. Responsibility for collection.
		10. Organization and management of the execution of decisions of the Shareholders’ meeting as detailed in this Section 6.
		11. Recording and follow-up of the execution of decisions of the Shareholders’ meeting as detailed in this Section 6.
		12. Ongoing responsibility for current procedures of the Office.
		13. Any remaining decision and/or power which has not been determined in Section 6.4 and/or 6.5.
7. **Distribution of Company Profits and Financial Conduct**
	1. “**Annual Company Profits**” are all the income of the Company less all the expenses of the Company for the year as detailed in the Company’s financial statements for its activity as a going concern, on a cash basis, including the payment made to Shareholders as detailed in Section 7.2 below and the payment made to Ms. Davis as detailed in Section 7.12 below and/or to the contractual partners, if any, and less retirement payments, if any have been made under Sections 9-14 below and/or any other debt to a third party, all on a cash basis and according to the reports of the Company’s accountant.
	2. It is agreed that there is a salary and accompanying rights as a total cost to the employer to each Shareholder as an employee of the Company, as detailed in the Company’s costing reports (hereinafter jointly: “**the Monthly Consideration**”). If it is decided to increase the Monthly Consideration, it will be increased by the relative value of the holdings of the Shareholders in the Company so that the effect of such a rise will be at the same values as their holdings. For example, if the holding is 76% for Yirmiyahu and 24% for Mike, the rise in the Monthly Consideration will be made at those values.
	3. If the total Annual Company Profits are insufficient to cover the total Monthly Considerations of the Shareholders and/or the payment mentioned in Section 7.12, the Shareholders will examine whether to recruit credit from an external source or to reduce the Monthly Considerations, in a decision as detailed in Section 6.5 above.
	4. The Annual Company Profits will be distributed according to the share of the Shareholders in the Company as detailed in **Appendix A**.
	5. For all intents and purposes, the distribution of Company profits will be executed in accordance with the principles stated in this Section and in **Appendix A** and according to what is detailed in the Company books and in its systems. For the avoidance of doubt, it is hereby clarified that any document and/or calculation and/or information in connection with Company income and/or profits which is not in the Company’s books and/or the data in its technological systems will not constitute a basis for calculation for the distribution of Company profits.
	6. Any capital needed by the Company and which is not attained by receiving credit from a third party will be made available by the Shareholders according to their share in the Company in accordance with a decision taken by them as detailed in Section 6.5 above.
	7. It is agreed that the Shareholders bear the burden of the Company’s obligations among themselves according to the ratio of holdings in the Company as detailed in **Appendix A**. In a case where a Shareholder has paid a creditor or a third party more than his share in the burden of the obligation, the Shareholder will return to the other Shareholder and will be repaid by him according to his share. For the avoidance of doubt, every payment under this Subsection will be documented, and its repayment will not be unreasonably delayed.
	8. The Company has an account in Bank Mizrahi, Branch 403 Account 428842 (hereinafter: “**the Bank**” and “**the Bank Account**”). The signature rights in the Bank Account are that the signature of Yirmiyahu or of Mike plus the Company stamp will bind the Company for all intents and purposes.
	9. The Shareholders will strive to prepare an annual work plan and budget (hereinafter: “**the Budget**”) before each year of work. The managing partner will have responsibility for the preparation of the Budget.
	10. The partner will manage the income/expenses of the Company according to what is stated in **Appendix A** in the Budget and the cash-flow situation of the Company, and the same will be true with regard to the management of the system for the settling of accounts with the members.
	11. As far as this exists and/or may exist in future, the management of the clients’ money kept in trust for the clients of the Office by the Company and/or by any of the Shareholders will be executed by means of a trust company and in a separate bank account and/or specific accounts according to the matter and according to the provisions of the trust deeds.
	12. It is agreed that in the framework of the Company’s expenses, and as long as Ms. Davis enjoys a long life, during her life, the Company will pay her a monthly sum of NIS 20,000.
	13. At the time of the signing of this Agreement, the Company has debts to Yirmiyahu as detailed in Section 5.1 and in Appendix C. It is hereby agreed that the Company will repay these debts and/or any other debt which may be created in favor of Yirmiyahu in current monthly payments of NIS 3,000 until the repayment of the debt balance to Yirmiyahu or, Heaven Forbid, to his survivors. For the removal of doubt, if Yirmiyahu has retired in one of the retirement tracks detailed in Sections 9-14 below, the Company will continue to pay off these debts until their full repayment side by side with the retirement payments detailed in Sections 9-14 below. It is hereby agreed that whenever the Consumer Price Index rises beyond 3% annually, linkage differentials will be added to the above-mentioned debt amounts.
8. **Period of the Agreement and Liquidation of the Company**
	1. From the date of signing of this Agreement its validity will be from 1 January 2019 (“the Date of Validity”) until its annulment and/or change pursuant to what is stated herein. Whenever the liquidation of the Office is decided and for any reason whatsoever the Company continues to be active, the provisions of this Section 8 will apply accordingly and according to the subject to the liquidation of the Office. For the avoidance of doubt, the removal of a Shareholder from the Company as detailed in the Section is not the liquidation of the Company for all intents and purposes.
	2. A decision on the liquidation of the Company will be taken pursuant to what is stated in Section 6.5 above and will become valid 60 days from the date of the decision (hereinafter: “**the Liquidation Date**”), unless the decision fixes another liquidation date.
	3. If a decision is taken on the liquidation of the Company, the provisions detailed in this Section 8 below will apply.
	4. The liquidation of the Company and the sale of its assets will be executed while maximizing the consideration to be received from the above-mentioned sale and its distribution to the Shareholders according to their share in the Company on the Liquidation Date according to the provisions of this Section 8.
	5. On the Liquidation Date, the dismissal of the Shareholders as Company employees will be arranged as well as receipt of all their rights as Company employees. The Shareholders undertake to cooperate and to sign any document and/or to appear before any authority for the execution of what is stated in this Section 8.
	6. On the Liquidation Date, and in a decision under Section 6.5 above, the Shareholders will arrange instructions in the matter of the continued use of the Company’s Offices in the event that any of the Shareholders wishes to do so, as well as arrangements regarding the distribution of the fixed assets and equipment in the Office, the calculation of the investment made in the improvement of the Office and balancing payments to a Shareholder who is not remaining in the Office according to the value of the investment made in the improvement of the Office, less depreciation expenses attributed to investments in the fixed assets and equipment, as the case may be.
	7. On the Liquidation Date, a settling of accounts will be done for money owed to the Shareholders according to their existing holdings in the Company and their share in the Company profits up to the Liquidation Date pursuant to what is stated in Section 7 and in **Appendix A**, as well as their share in the Company Assets as defined in Section 5 above, less debts and/or commitments of the Company up to the Liquidation Date, including commitments to employees and third parties.
	8. Money owed to the Company for work which has concluded, in full or partially, before the Liquidation Date (even if no invoices have yet been issued for it) is money belonging to the Company and will be distributed to the Shareholders according to their share in the Company immediately upon receipt by the Company and/or by any of the Shareholders after the Liquidation Date, according to the principles of profit distribution found in Section 7 above and in **Appendix A**.
	9. Money which is collected by any of the Shareholders after the Liquidation Date for work which the Company began and has not yet concluded will be paid to the other Shareholders immediately upon receipt by any of the Shareholders. For the calculation of the portion owed to any of the Shareholders for a share of the work done by the Company, the parties will carry out a calculation regarding the scope of the work executed and the fee paid to the Company prior to the Liquidation Date, against the scope of the work executed, the expenses paid and fees received after the Liquidation Date with regard to the time in which the case was handled by the Company prior to the Liquidation Date and the time left to handle it after the Liquidation Date.
	10. Money which any of the Shareholders is to return to a client, or a payment of any kind of taxation, or a payment to members after the Liquidation Date for a fee or payment received or a balance in the Company or short payments made before the Liquidation Date will be repaid by all the parties according to their share in the Company.
	11. It is agreed that starting from the Liquidation Date and after, and subject to the provisions of this Agreement, each of the Shareholders may act as a patent writer and/or attorney in any other framework and may continue to handle clients who choose to continue to receive professional handling from him after the Liquidation Date, subject to the provisions below:
		1. It is agreed that prior to the Liquidation Date, a standard notice will be sent to all the clients of the Office without mentioning the name of any client. The text of the notice will be agreed by the parties and will not contain harm to the name of any of the parties or harm to the reputation of the Company.
		2. If after the Liquidation Date, any of the Shareholders other than Yirmiyahu gives professional services to anyone who was listed as a client of the Company in the client management system of the Office in the five years prior to the Liquidation Date as well as a corporation under the control of any of them or a subsidiary, sister company or combined company with any of them, the other Shareholders jointly will be entitled to 20% of the income (without attribution of any expenses) from these clients for a period of 36 consecutive months following the date on which these clients begin receiving said professional service from the Shareholder. If said clients receive a service from a Shareholder in which a future consideration is anticipated, including beyond 36 months, the right of the Shareholders to receive income as stated in this Section above is unlimited in time, up to the actual receipt of the income from these clients. For the avoidance of doubt, “income” for the purpose of this Section is income prior to the attribution of any expense of any kind whatsoever in the creation of the income, including manpower and headquarters salary and administrative and other general expenses. The Shareholders will be entitled to receive any information and/or document regarding the income of a Shareholder from Company clients for the calculation and/or examination of the scope of their entitlement to payments as detailed in this Section.
	12. It is hereby agreed that no later than seven days from the date on which any of the Shareholders requests liquidation and a decision is taken on the liquidation of the Company, the Shareholders will notify the employees on the liquidation of the Company. The text of the notice and its timing as well as any other action in the matter of the employees will be coordinated and agreed by the Shareholders, taking the labor laws into consideration, particularly in matters such as advance notice, severance pay, the duty of a hearing, etc. The Shareholders will notify the employees that each of them may choose to continue to work with any one of the Shareholders and are asked to make a decision within one week from the date on which they were notified of the liquidation of the Company. The Parties undertake to ensure that the employees who continue to work with them will act in the spirit of the provisions of the Agreement and what is stated therein with regard to the delivery of details on the circumstances of separation, to the extent that these are known to them, as well as preserving the dignity and name of each Shareholder.
	13. The Shareholders will decide on the text of the notice to the media/third parties on the liquidation of the Company and will not act independently in this matter without receiving the consent of the other Shareholders.
	14. Until the Liquidation Date, the Shareholders are responsible, up to their share in the Company, for any damage and/or loss and/or contention and/or claim of clients and/or employees and/or third parties. Starting from the Liquidation Date, each Shareholder will be responsible for any contention and/or claim and/or loss and/or damage the grounds of which are after the Liquidation Date regarding contentions and/or claims of partners and/or employees and/or suppliers and/or clients and/or third parties working with him and/or receiving from/giving to him any service whatsoever after the Liquidation Date.
	15. On the Liquidation Date, the Shareholders will arrange the matter of professional liability insurance as required, in order to provide a response to the structure and nature of the work of the Shareholders after the Liquidation Date, as well as proper coverage for actions executed in the Company up to the Liquidation Date, taking into account the professional liability insurance being on a claim made basis.
	16. On the Liquidation Date and in consultation with professionals, the Shareholders will divide the financial systems, the computer equipment and the information, and each Shareholder will receive all the information he requires by law for continuing to handle clients who continue to receive a professional service from him.
	17. The files in the internal and external archives of the Office will be divided among the parties according to the continuation of the provision of service to the clients as detailed above.
	18. Each Shareholder has the right to receive any information/document held by another Shareholder when said information/document is needed by him by law and/or in matters of collection and/or in matters of professional liability as long as there is no provision of law and/or judicial order prohibiting the transfer of said information and/or document.
	19. If information and/or a document and/or a notice reaches any of the Shareholders from and/or in regard to a client being handled by another Shareholder, he will transmit said information and/or document and/or notice to the other Shareholder no later than 3 working days from its receipt and will make an effort to notify this immediately in urgent cases.
	20. With the exception of Yirmiyahu, after the Liquidation Date, no Party may make use of the name of the Company except by reference to his name as someone who was a Shareholder in the Company.
	21. Unless it is agreed otherwise, on the Liquidation Date, each of the Shareholders may receive the databases as well as the contents existing on the website of the Office and can make any use of them, on condition that the above-mentioned use will not mislead anyone viewing the website, since in terms of the content and visibility of the website, he is viewing the website of the Office prior to its liquidation. As long as Yirmiyahu is a Shareholder in the Company, everything mentioned in this Section will be transmitted to him.
	22. Unless the other Shareholders have decided otherwise, after the Liquidation Date and for a period to be agreed by the Shareholders, anyone surfing to the address of the Office website will see a notice displayed the text of which will be agreed by the Shareholders, which will refer the surfer to the new website of the Office of each of the Shareholders or the website of an Office and/or entity which any of the Shareholders has joined.
	23. With the exception of Yirmiyahu, after the liquidation, none of the Shareholders may make use of the Company’s domain name for the purpose of establishing a website address or email addresses. On the Liquidation Date, the Shareholders will decide on the manner and time period in which email will be directed from the existing email address of partners and employees in the Office to other addresses.
	24. Unless agreed otherwise, on the Liquidation Date, the professional literature in the Office will be divided among the Shareholders “in kind” according to the preference of each Shareholder, and if there is no agreement, a lottery will be held which will distribute the literature among the Shareholders, on condition that the value of the professional literature which falls into the hands of one Shareholder will be more or less similar to that of the literature which falls into the hands of another Shareholder. As long as Yirmiyahu is a Shareholder in the Company, everything mentioned in this Section will be transmitted to him.
	25. On the Liquidation Date, the Parties will attempt to agree which of them will receive the telephone and fax number of the Office. If there is no agreement, a pricing of the economic value of the continued use of these assets will be carried out, and the results of the pricing will be a part of the general settling of accounts among the Parties. Alternatively, the Parties may agree on any other mechanism, such as not to use the telephone number of the Office and to fix a message referring the caller to the new telephone numbers of the Shareholders; the same will apply in the matter of referring faxes, etc. As long as Yirmiyahu is a Shareholder in the Company, everything mentioned in this Section will be transmitted to him.
	26. For the avoidance of doubt, it is hereby clarified that beyond the settling of accounts detailed in this Section 8, and subject to everything stated in this Agreement, no Shareholder will be more entitled than another to any payment whatsoever for assets and/or rights and/or goodwill, etc.
	27. Yirmiyahu has the right to liquidate the Company immediately in the following cases. If the Company has been liquidated in one of the cases below, the provisions of Section 8 on liquidation will apply as stated:
		1. The appointment of a receiver/liquidator/trustee over the assets of and/or over any of the Shareholders other than Yirmiyahu and/or any number of them, and said appointment has not been removed within 60 days of the date of the appointment.
		2. A lien of any sort whatsoever which has been imposed on the assets of any of the Shareholders other than Yirmiyahu and said lien has not been removed within 90 days from the day of its imposition.
		3. A Shareholder has committed a fraudulent act or has maliciously harmed the Company Assets or its name.
9. **Retirement of a Shareholder**
	1. For the purpose of this Agreement, “**the Retiring Shareholder**” and “**the Retirement of a Shareholder**” may refer to any one of the following ways:
		1. Voluntary retirement for any reason whatsoever, including a judgeship, business or public Office.
		2. Removal from the Company pursuant to a decision of the Company, as detailed in Section 6.5 above.
		3. Death or “**Permanent, Absolute Loss of Competency**” – under the National Insurance Law and its regulations.
		4. “**Work Disability**” – partial loss of the ability to work (for a temporary period or permanently) or absolute loss of the ability to work for a temporary period.
		5. Suspension, partial retirement, retirement due to age, etc.
	2. For the purposes of this Agreement, “**the Date of Retirement**” from the Company is:
		1. In the event of voluntary retirement – 60 days from the date on which the Shareholder has delivered a notice to the Company, unless the Company, in a majority vote as detailed in Section 6 above, has fixed an earlier date.
		2. In the event of removal from the Company – 60 days from the date of the decision on the removal of the Shareholder, unless the Company, by the majority required for making a decision on removal from the Company as stated in Section 6 above, has foxed an earlier date.
		3. In the event of death – on the date of death, and in regard to a Shareholder incorporated as a Single-Shareholder Company – on the date of death of its Controlling Shareholder.
		4. In the event of Absolute Loss of Competency – on the date the Shareholder has entered the state of Absolute Loss of Competency.
		5. In any other case – as determined in this Agreement according to the matter, and whenever it is not determined pursuant to a decision of the Company, as detailed in Section 6 above.
	3. For the purpose of this Agreement, “**Seniority in the Company**” means the number of years expired since the date appearing beside the name of the Shareholder in **Appendix A**.
	4. For the avoidance of all doubt, and in the matter of Sections 9-14, retirement from the Company is the same as retirement from the Office, and all the provisions with regard to retirement from the Company will apply, depending on the context and subject, to retirement from the Office, and vice versa
10. **Voluntary Retirement, including to the Academic Field, a Judgeship and Business**
	1. A Shareholder may retire from the Office at any time following a decision to move to a business, public or judicial career or following a decision to change professions or to retire altogether from work (before the retirement age, and not necessarily due to a Work Disability, which are matters set out below), by means of the delivery of a written notice to the Company. The Date of Retirement is as detailed in Section 9 above, unless another Date of Retirement is determined by law, such as the date on which a Shareholder is appointed to a public Office. The Company may terminate the actual work of a Shareholder retiring before the Date of Retirement in a decision as detailed in Section 6.5 above, without derogating from any of the financial rights of the Shareholder retiring up to the Date of Retirement. On the Date of Retirement, all the rights of the Retiring Shareholder will expire other than the rights granted to him explicitly pursuant to provisions of this Section, automatically, with no need of an action or a signature of any of the Parties on any additional document whatsoever.
	2. As full and final consideration for his retirement from the Company, a waiver of all his direct and indirect rights, the return of his shares to the Company and the expiration of all his rights in the Company and the Office, the Retiring Shareholder will receive the following rights/amounts on his Date of Retirement:
		1. The total Monthly Consideration owed to the Retiring Shareholder for all the months during the period up to the Date of Retirement, if this has not been paid or postponed (including a relative share of the retirement month). If the bank account and amounts of money which the Company (after deducting client deposits, trusts and VAT amounts collected by the Company and which have not yet been transferred to the VAT authorities) are in a debit balance, or the Retiring Shareholder has a debit balance in the debit and credit account which he is managing with the Company, including his credit card account, or there is a debt for a vehicle he has received from the Company, the Shareholder will be obligated to pay the Company his relative share in said debit balance or in any loan taken by the Company.
		2. A relative share in a dividend for distribution which has accumulated up to the Date of Retirement if the Company should decide to distribute a dividend, according to his share in the Company on his Date of Retirement which has not been distributed up to his Date of Retirement.
		3. A relative share of the depreciated value of the fixed assets of the Company as appearing in the financial statements of the Company to the last 31 December before the Date of Retirement of the Retiring Shareholder, less loans, credit and financial commitments taken by the Company for the purchase of the fixed assets appearing in its above-mentioned financial statements and which have not yet been paid off on the Date of Retirement. It is hereby clarified that if the retiree is Yirmiyahu, on the Date of Retirement, the photographs in the Office will be delivered to his possession.
	3. In addition to what is stated in Section 10.2, if a Shareholder whose Seniority in the Company is in excess of 5 years retires and has undertaken to the Company before his Date of Retirement that: (1) he will not deal, in person or by means of a legal entity to which he is connected in giving legal advice in a law firm and/or in a patent Office in Israel (including as the owner of the Office, as a shareholder, as a salaried employee or as a consultant or in any other capacity) for a period of at least five years from his Date of Retirement from the Office, (2) subject to law, he will act and cooperate in a reasonable manner with the Office until the expiration of 12 months from his Date of Retirement, with the aim of keeping at the Office those clients whom he handled in the framework of the Office, (3) he will not make a partnership offer and/or a work offer to any of the employees of the Office who work and/or are employed by the Office on his Date of Retirement, and (4) he will not, by action or omission, cause clients who were being handled by him to transfer to the handling of another Office and/or attorney and/or patent writer, the Retiring Shareholder, in addition to what is stated in Subsection 10.2 above, will be entitled to his total Monthly Considerations (as defined in Section 7.2 above) as detailed below, which will be paid to him in 36 equal monthly payments:
		1. Seniority in the Company greater than 5 years and less than 10 years = a total of 3 Monthly Considerations.
		2. Seniority in the Company greater than 10 years and less than 15 years = a total of 6 Monthly Considerations.
		3. Seniority in the Company greater than 15 years and less than 20 years = a total of 9 Monthly Considerations.
		4. Seniority in the Company greater than 20 years and less than 25 years = a total of 12 Monthly Considerations.
		5. Seniority in the Company greater than 25 years = a total of 15 Monthly Considerations.
	4. If it becomes clear after the fact that the Retiring Shareholder has not complied with any of his obligations as mentioned in Section 10.3 above, he must immediately return to the Company all the amounts he received under Subsection 10.3 plus linkage to the index and annual interest of 4%.
	5. If a Shareholder has retired and it becomes clear that he has committed a fraudulent act or a breach of trust to the Office or has seriously and regularly neglected his duties to it, that Retiring Shareholder will not be entitled to the amounts mentioned in Subsection 10.3 above.
	6. In addition to what is stated in Section 10.5 above, if a Shareholder who is not Yirmiyahu has retired and begun (directly or indirectly) to give professional consulting services to anyone who has received a professional service from the Office in the five years prior to the Date of Retirement as well as a corporation under the control of any of them or a subsidiary or sister company or a company combined with any of them, the Company will be entitled to 20% of the income (without attribution of any expenses) from these clients for the 36 months following the date on which these clients began receiving said professional service from the Shareholder. If said clients receive a service from a Shareholder where a future consideration is anticipated, including beyond 36 months, the right of the Company to receive the income mentioned in this Section above is without time limit until actual receipt of the income from these clients. The Company will be entitled to receive any information and/or document regarding the income of the Shareholder from Office clients for the calculation and/or examination of the scope of its entitlement to payments as detailed in this Section above.
	7. The Company may make use of any compensation and/or right which may exist for the Shareholder on his Date of Retirement in order to guarantee what is stated in Sections 10.5 and 10.6 above.
	8. Other than the amounts mentioned in this Section 10, the Retiring Shareholder will not be entitled to any additional consideration whatsoever for his retirement from the Company, the return of his shares to the Company, his contribution to the Company, the Company Assets, clients brought to the Company by him and any other matter. In addition, neither the Shareholder and/or anyone on his behalf will have any right of any kind whatsoever in the Company, including any right to make decisions or a right to receive financial and/or other information on the Company and/or Company money and rights, unless he is requesting details from the Company accountant regarding the amounts of money owed to him pursuant to what is stated in this Section 10.
	9. The Retiring Shareholder will cooperate with the Company for any need or document requiring his signature for the implementation of his rights and/or obligations under this Section 10, including reports to any institution and/or authority required by law.
11. **Removal of a Shareholder**
	1. A Shareholder may be removed by means of a decision as detailed in Section 6.5 above. The Date of Retirement is as detailed in Section 9 above. On the Date of Retirement, all the rights of the Shareholder in the Company will expire, other than the rights granted to him explicitly pursuant to the provisions of this Section, automatically and without need of any action or signature of any of the Parties whatsoever on an additional document.
	2. As full and final consideration for the removal of the Shareholder from the Company and the expiration of all his rights therein, the removed Shareholder will receive the amounts and/or rights detailed in Section 10.2 above.
	3. In addition, the shareholder removed from the Company will be entitled to the amounts in Section 10.3 above, with the changes below, on condition that he has complied with all the terms and conditions detailed in Section 10.3 other than Subsection (1) regarding the non-competition undertakings of the Shareholder. The values shown in Section 10.3 will be replaced with the following:
		1. Seniority in the Company greater than 5 years and less than 10 years = a total of 6 Monthly Considerations.
		2. Seniority in the Company greater than 10 years and less than 15 years = a total of 9 Monthly Considerations.
		3. Seniority in the Company greater than 15 years and less than 20 years = a total of 12 Monthly Considerations.
		4. Seniority in the Company greater than 20 years and less than 25 years = a total of 15 Monthly Considerations.
		5. Seniority in the Company greater than 25 years = a total of 18 Monthly Considerations.
	4. A Shareholder will not be entitled to the rights in Section 11.3 above if, after his removal, he has continued to provide service to clients of the Office who were registered in the Office systems for five years prior to the removal at an annual income scope in excess of 5% of the average annual income of the Office in the three years preceding the retirement.
	5. Sections 10.4-10.9 will apply to the removal of a Shareholder from the Company, as applicable.
12. **Retirement of a Shareholder Due to Death or Permanent, Absolute Loss of Competency**
	1. A Shareholder who dies before the age of 70 will be deemed as having retired from the Company on the date of his death. On the Date of Retirement, all the rights of the Retiring Shareholder and/or his estate and/or his survivors will expire, other than the rights granted explicitly pursuant to the provisions of this Section, automatically and without need of any action or signature of any of the Parties whatsoever on an additional document.
	2. As full and final consideration for the expiration of all the rights of the deceased Shareholder, his estate or his survivors will be entitled to receive the amounts and/or rights detailed in Section 10.2 above.
	3. In addition, the survivors of the Shareholder will be entitled to the amounts in Section 11.3 above.
	4. For the purposes of this Section and the rights granted hereunder, the Permanent, Absolute Loss of Competency as defined in Section 9 above will be deemed as the death of the Shareholder.
	5. In the event of death or Permanent, Absolute Loss of Competency, Sections 10.4-10.9 above will apply to the Retiring Shareholder or to the survivors of the deceased Shareholder (as applicable), *mutatis mutandis*, including, if relevant, Sections 10.6 and 10.7.
13. **Retirement of a Shareholder Due to a Temporary Work Disability or Partial Loss of Competency**
	1. Without harming what is stated in Section 12 regarding a case of Permanent, Absolute Loss of Competency, if a Shareholder, prior to reaching the age of 70, as the result of disease, an accident or another reason, including maternity leave, becomes incompetent to participate in the work of the Company, partially (for a temporary or permanent period) or absolutely for a temporary period (hereinafter: “**Work Disability**”), he will be entitled to the Monthly Consideration and the Company’s profits as if he were working, less the cash amounts he receives from the National Insurance Institute and/or work disability insurance, for a period of 6 consecutive months from the date his Work Disability commenced. What is stated above will not be valid in the case of a Shareholder who has been working actively in another job during the Work Disability period.
	2. Subject to what is stated in Section 13.1 above, at the termination of the 6 months stated therein, and despite what is stated in Section 6.5 above in the matter of a decision to remove a Shareholder in the case of a Work Disability, if a majority of 50% of the Shareholders – other than the Shareholder with a temporary Work Disability, unless this is Yirmiyahu – decides whether the Work Disability necessitates the operation of the model of retirement from the Company without competing with the Company as in Section 10 above, or the dilution of holdings with regard to the portion of a full-time position derived from the Work Disability. If there is no agreement regarding the rate of the Work Disability, the arbitrator mentioned in Section 19 below will decide. In the determination of the scope of the Work Disability, the customary rules for Work Disability according to the National Insurance Law and its regulations will be used by the arbitrator.
	3. Sections 10.4-10.9 above, as applicable, will apply to the removal of a Shareholder from the Company due to a Work Disability.
14. **Retirement Due to Age**
	1. The retirement age from the Company is 70 (hereinafter: “**the Retirement Age**”). Despite what is written in this Section, Yirmiyahu may retire under the terms of this Section 14 at whatever age he wishes.
	2. Until the Retirement Age, a Shareholder will not be diluted, except by consent following the entry of new Shareholders and/or an increase in the percentage of existing Shareholders or a dilution as stated in this Section or a merger, all according to a decision in the framework of Section 6.5 above.
	3. Between the ages of 65 and 70, a Shareholder may reduce the scope of his job (not due to a Work Disability as detailed in Section 13 above), on condition that the Company has given its consent to this by a majority vote, as detailed in Section 6 above without the vote of the partner requesting this. Despite what is stated in this Section, Yirmiyahu may reduce the scope of his job at any age he desires.
	4. Subject to the right of Yirmiyahu to retire fully as described in Section 14.1 above, a Shareholder may retire fully before the Retirement Age, but not before the age of 65, on condition that the Company has given its consent to this in a majority vote as detailed in Section 6.5 above without the vote of the partner requesting this. If the Company has consented to the early retirement as stated, the retirement model detailed in Section 14.5 below will be reduced so that the closer the Retirement Age, the closer the model will draw to its full framework. The reduced retirement model is as detailed below:
		1. Age 69, 95% of the model.
		2. Age 68, 90% of the model.
		3. Age 67, 85% of the model.
		4. Age 66, 80% of the model.
		5. Age 65, 75% of the model.
	5. If a Shareholder has reached the Retirement Age and has asked to continue to be a Shareholder in the Company, on a part-time or full-time basis, the Company will approve this by the majority vote stated in Section 6 above without the vote of the requesting Shareholder, and, by consent with the Shareholder, it may determine the terms of the continuation of his holdings in the Company, a relative dilution and the effect of these on the retirement model detailed in Section 14.5 below. Yirmiyahu may continue to be a Shareholder at his choice even after the Retirement Age and will be entitled to the retirement model detailed in this Section 14 when he chooses to retire.
	6. If a Shareholder reaches the Retirement Age and he has been a Shareholder for more than 5 years and is not continuing to be a Shareholder in the Company as detailed in Section 14.4 above, he will receive all the rights detailed in Section 10.2 above. In addition, the Shareholder will be entitled to the amounts in Section 10.3 above, on condition that he has conformed with the terms and conditions detailed in Section 10.3, and the following values will replace the values detailed in Section 10.3:
		1. Seniority in the Company greater than 5 years and less than 10 years = a total of 4 Monthly Considerations.
		2. Seniority in the Company greater than 10 years and less than 15 years = a total of 8 Monthly Considerations.
		3. Seniority in the Company greater than 15 years and less than 20 years = a total of 12 Monthly Considerations.
		4. Seniority in the Company greater than 20 years and less than 25 years = a total of 16 Monthly Considerations.
		5. Seniority in the Company greater than 25 years = a total of 24 Monthly Considerations.
	7. Sections 10.4-10.9 will apply, as applicable, to the Retirement of a Shareholder due to age.
15. **Liability for Retirement Models, Expense**
	1. It is agreed that the undertakings of the Shareholders to the retirement model will be those of the Company and not of each of the Shareholders and will expire if the Company is liquidated.
	2. If the liquidation of the Company has in fact been executed in order to establish a partnership or other company to replace it and/or if it is determined that the liquidation of the Company has been done in order to avoid retirement payments, what is stated in Section 15.1 above will not apply, and the Shareholders will be personally bound by the retirement model.
	3. What is stated in Section 15.2 will also apply if the Company itself has not been liquidated but has ceased to provide services as a patent writing Office or a law Office and the remainder of what is stated in Section 15.2 exists.
	4. Without harming the remainder of what is stated in this Section 15, it is agreed that a Shareholder who has retired and has continued to provide a service to Office clients who were registered in the Office system for the five years prior to the retirement at an annual income scope in excess of 5% of the average annual income of the Office for the three years preceding the retirement, he will be bound by the retirement model. The obligation of a Shareholder as stated will be up to the relative share of his income from the clients of the Company as detailed above. For example, a Shareholder has retired and is providing services to Company clients at an annual fee value of 500 thousand Shekels. The average income turnover in the last three years prior to the retirement was NIS 5 million. The retiring partner will be bound by the retirement model for a relative share of 10%.
	5. The Parties will endeavor to establish a fund designated for retirement if the economic and cash-flow condition of the Company permits this. A decision on the establishment of such a fund will be made in a decision as detailed in Section 6.5 above.
16. **Hedging**
	1. If the amount of the retirement payments which the Company is making has risen in a given year, so that it is not possible to pay the Shareholders the entire Monthly Considerations (as defined in Section 7.2 above) for that year, the retirement payments for that year will be reduced proportionally, so that the total cost of the retirement payments will not exceed the amount which does not permit payment to the Shareholders of the full Monthly Considerations for that year.
	2. The differential created between the amounts of the retirement payments actually made for that year and the amount of the required retirement payments will be paid out of the retirement payments for the following year, subject to what is stated in Section 16.1 above. In other words, the retirement payments and the postponed payment as stated will not exceed an amount which does not permit payment to the Shareholders of the full Monthly Considerations for that year.
	3. The differential created between the amounts of the retirement payments actually made for that year and the amount of the required retirement payments will be linked to the Consumer Price Index from the day on which each payment was to have been made up to the actual payment.
	4. It is agreed that said postponement of the retirement payment or a portion thereof as stated in this Section 16 will not exceed a total of 10 years and will cease at the end of the tenth year from the Date of Retirement if all the retirement payments have not yet been made.
	5. What is stated in this Section 16 above will also apply in the case of the retirement of more than one partner. If retirement payments are being made to more than one retired partner, the retirement payments according to this Section will be reduced *pro rata* between the retirees. For example, a certain partner must be paid NIS 200,000 per year and another must be paid NIS 100,000 per year and according to the hedging formula above, the partnership has the ability to pay only NIS 200,000; then the certain partner will receive NIS 133,666, and NIS 66,666 will be dragged to the following years, and the other partner will receive NIS 66,666, and NIS 33,333 will be dragged to the following years.
	6. Despite everything stated in this Agreement, it is hereby agreed that no retirement payments under Sections 9-14 above will be made to any of the partners who are not Yirmiyahu before the payments detailed in Section 7.13 have been returned to Yirmiyahu. It is further agreed that the payments detailed in Section 7.13 will not be taken into account in the hedging formula in this Section 16 even if the payments reduce the full payment of the Monthly Considerations as detailed in Section 16.1 above.
17. **Liability, Professional Liability and Professional Liability Insurance**
	1. As long as neither the Company nor the Office has been liquidated as detailed in Section 8 above, the Shareholders in the Company are liable, up to their share as detailed in **Appendix A**, for all the commitments and/or debts of the Company and/or the Office, including in the matter of professional liability, toward employees, suppliers, clients and third parties.
	2. Regarding professional liability insurance, the Shareholders agree that as long as the Office exists, it will have professional liability insurance at the highest values customary for such insurance regarding the nature of the professional activity of the Office and its exposure due to such professional activity.
	3. Upon liquidation, in everything connected with handling and liability with regard to employees, suppliers, clients and third parties, including in the matter of professional liability, what is stated in Section 8 above will apply.
	4. Upon the retirement of a Shareholder as detailed in Sections 9-14 above, the Parties agree as follows:
		1. Every Shareholder who continues to handle the clients of the Retiring Shareholder undertakes to do so with devotion and pursuant to the provisions of law and/or the settlement reached with the clients being handled by him.
		2. Starting from the Date of Retirement of the Retiring Shareholder, the Company will be responsible to him or to his survivors (as applicable) for any contention and/or claim and/or loss and/or damage, including in matters of professional liability which are directed at the Shareholder and/or his survivors (as applicable) after the Date of Retirement for the period of his activity in the Company. For the avoidance of all doubt, said liability will also apply when the alleged grounds against the Shareholder occurred prior to his retirement, on condition that these are not personal grounds or obligations of his which are unconnected with the ongoing and/or professional activity of the Company.
		3. On the Date of Retirement of any Shareholder, the Company will ensure that the professional liability of the Shareholder for the period in which he acted in the Office is insured under the professional liability policy under the “exiting partners” section and/or the “estate coverage” section or under “run up” arrangements or any other insurance solution, as determined by a professional who is expert in the matter, in order to provide a complete response and proper coverage for the activity of the Shareholder in the Office up to the Date of Retirement.
18. **Confidentiality**
	1. Every Shareholder undertakes to keep the information regarding the Company and the Office completely confidential and not to reveal it to anyone, except as reasonably required in order to promote the interests of the Company and the Office in good faith.
	2. The Shareholders are aware that any publication or leak in connection with any dispute or disagreement which may arise between the Shareholders or in connection with steps to settle such a dispute or disagreement is liable to cause serious and irreversible damage to the Company, and therefore they undertake to comply with all the provisions in this Section.
	3. Subject to what is stated in Section 19 below, when the Company or any of the Shareholders or a former Shareholder wishes to initiate a process of arbitration or a court procedure which directly and/or indirectly is connected with the Company, the Party initiating the process will notify the other Party seven days in advance of his intention to initiate the process, unless it is the intention of the initiating Party to apply in good faith for temporary remedies *ex parte* where, in light of them, an advance notice to the other Party of his intention to start the process would cause irreversible damage.
	4. If a Shareholder applies for arbitration as detailed in Section 19 below, all the Parties to the arbitration will be obligated to keep the dispute itself, the very existence of the arbitration process and everything and every matter connected with them in absolute confidence, including any contention, evidence, data or document to be presented therein and to ask the arbitrator to keep the arbitration file under maximum confidentiality. Each party to the arbitration process will be entitled to request a written undertaking from the attorney of the opposing party and from any expert employed by the opposing party or his attorney in connection with the process to comply with the duty of confidentiality as stated above, and the arbitrator will assist, by means of orders, as far as possible, in order to ensure that the undertaking is given.
	5. If a Shareholder applies to the court (and this without derogating from his obligation under Section 19 below), all the parties undertake to do their best to achieve the maximum confidentiality possible for the process, its content, the written contentions, testimony and documents and will cooperate with one another in order to achieve such confidentiality. If confidentiality is impossible or if only partial confidentiality is possible in the framework of the process, the parties will not reveal information, details or data regarding the Company and its business except to the extent that this is materially and directly necessary for the decision in the dispute between the parties.
	6. For the avoidance of doubt, this Section applies in full to Retiring Shareholders as well.
19. **Settling of Disputes**
	1. If any subject which should have been dealt with in this Agreement has not been settled and/or has been forgotten, or a dispute has arisen between the Parties in the matter of this Agreement, its execution, interpretation, validity or applicability, the Parties agree to act peacefully and to resolve the matter through a shared mutual vision and for the benefit of the matter in the spirit of this Agreement and its provisions, and if there is no consent, by applying to a mediator within 14 days of the day on which any of the Parties asks to do so. If there is no consent regarding the identity of the mediator, he will be chosen by the person who at that time is acting as head of the Israel Patent Attorneys Association, and if it is reasonably proven that he has a direct or indirect conflict of interests with one of the Parties, the mediator will be chosen by the head of the Israel Bar Association.
	2. Any dispute regarding this Agreement, its execution, interpretation or applicability between the Parties which has not been solved as detailed in Section 19.1 above within 30 days of the day it arose between the Parties, it will be transferred for the decision of an agreed arbitrator, and if there is no consent on the identity of the arbitrator, he will be chosen by the person who at that time is acting as head of the Israel Patent Attorneys Association, and if it is reasonably proven that he has a direct or indirect conflict of interests with one of the Parties, the mediator will be chosen by the head of the Israel Bar Association.
	3. Subject to what is written in this Section, the provisions of the Arbitration Law, 5728-1968 (hereinafter: “**the Arbitration Law**”) will apply to above-mentioned arbitrator. The decision of the arbitrator will be final and may not be appealed.
	4. The arbitrator will not be subject to the rules of procedure or the rules of evidence used in courts or tribunals.
	5. The arbitrator will be subject to substantive law and may give temporary remedies, including mandatory and prohibitory injunctions and/or interim decisions and/or partial rulings.
	6. Arbitration meetings will be documented in minutes, and the arbitrator will be obligated to give reasons for his decisions and his ruling and will be obligated to give his ruling within 30 days of the date of completion of the evidence chapter and summations.
	7. The signature of the Parties below constitutes a signature on the arbitration agreement as defined in the Arbitration Law, and for the avoidance of doubt, this Section 19 applies in full to retiring partners as well.
20. **Miscellaneous and Notices**
	1. The Parties will take all the additional steps required for the implementation and execution of this Agreement as written and in its spirit, including the signing of all the documents whose signing is necessary for the execution of this Agreement and its implementation.
	2. If a Party has not made use of or has abstained from making use of one of the rights granted to him under it or by law in a particular instance or a series of instances, this will not be seen as a waiver of any of his rights.
	3. No right and/or remedy given to any of the Parties under the Agreement derogates from any other and/or additional right and/or remedy given to that Party under this Agreement and/or by law.
	4. No extension and/or delay will be valid unless given in advance and in writing.
	5. The consent of any Party to deviate from any term or condition of this Agreement in a particular instance or a series of instances will not constitute a precedent nor can an analogy be drawn from it for any other instance in the future.
	6. Subject to what is stated in the arbitration section above, the authorized court in Jerusalem will have sole jurisdiction to hear any dispute connected with this Agreement, its interpretation and execution, including in the matter of approval of an arbitration ruling and the giving of temporary injunctions.
	7. Every Shareholder and/or Retiring Shareholder will bear all kinds of taxation applying to him with regard to the provisions of this Agreement, including at the time of his retirement. The Parties declare and confirm that they have examined everything needed and necessary with regard to their signing of this Agreement and complying with its provision with the assistance of professionals in the field of taxation.
	8. The addresses of the Parties are as detailed in the Preamble, and any notice sent by one Party to another at the above addresses will be deemed to have reached its destination 96 hours after having been sent by registered post, or 4 hours after having been sent by messenger or one business day after having been sent by fax, on condition that there is a confirmation of delivery of the sending fax machine.

**In witness thereof we have signed**

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

 Yirmiyahu Mike The Company

**Appendix A – to the Agreement dated \_\_\_\_\_\_\_\_ (“Agreement”)**

1. All the terms in this Appendix will have the meaning given to them in the Agreement unless written otherwise.
2. The percentage of holdings in the Company, seniority and monthly salary and accompanying rights as these terms are defined in the Agreement are as detailed in the table below.

|  |  |  |
| --- | --- | --- |
| **Name of partner** | **Percentage of holdings in the Company following the Agreement** | **Date of commencement of work in the Company as detailed in this Agreement** |
| Yirmiyahu Ben-David | 76% | 13 December 1998 |
| Mike Hammer | 24% | 2 September 2012 |

**Appendix B – to the Agreement dated \_\_\_\_\_\_\_\_\_\_\_(“Agreement”)**

**Appendix C – to the Agreement dated \_\_\_\_\_\_\_\_\_\_\_\_(“Agreement”)**

A summary of the financial statement to the end of 2018 prepared by Accountant David Aminoff from a test balance immediately after the end of the year and before the execution of the audit on the Company books, in the framework of which, updates and corrections are expected to the balance sheet and the final audited profit and loss statement.

**Appendix D – to the Agreement dated \_\_\_\_\_\_\_\_\_\_(“Agreement”)**

An unaudited profit and loss statement for the first quarter of 2019