

MirLand Development Corporation Plc.

(“החברה”)

19 בפברואר, 2017

לכבוד
הבורסה לניירות ערך בתל-אביב בע"מ
www.tase.co.il

לכבוד
רשות ניירות ערך
www.isa.gov.il

דוח מיידי בדבר כינוס אסיפה כללית מיוחדת של בעלי המניות של החברה

בהתאם לחוק החברות, התשנ"ט-1999 (“חוק החברות”), תקנות החברות (הצבעה בכתב והודעות עמדה), התשס"ו-2005 (“תקנות ההצבעה”) ותקנות ניירות ערך (דוחות תקופתיים ומיידיים), התש"ל-1970 (“תקנות הדוחות”), החברה מתכבדת להודיע בזאת, על זימונה של אסיפה כללית מיוחדת של בעלי המניות של החברה, אשר תתקיים ביום ב', ה-27 במרץ, 2017 בשעה 12:00 במשרדי החברה בקפריסין - 3025 Thessalonikis St., Nicolaou Pentadromos Centre, 6th floor, Office 606 Limassol Cyprus (“האסיפה”), ואשר תמצית ההחלטות שעל סדר יומה מפורטות בדוח זה להלן.

1. הנושאים שעל סדר יומה של האסיפה ותמצית ההחלטות המוצעות בעניינם :

1.1. תיקון תקנון החברה והחלפתו בתקנון חדש

ההחלטה המוצעת : תיקון תקנון החברה והחלפתו בתקנון חדש המצורף **כנספח א'** לדוח מיידי זה (“התקנון המוצע”).

ביום 22 בדצמבר, 2016 הושלמה תכנית הסדר חוב של החברה עם מחזיקי אגרות חוב שלה, כפי שפורסמה ביום 1 באוגוסט, 2016 (מס' אסמכתא : 2016-01-095605) (“תכנית ההסדר”)¹.

במסגרת תכנית ההסדר, התחייבה החברה, כי היא תאמץ תקנון חדש אשר יכלול, בין היתר : (א) הוראות למינוי דירקטורים בחברה, לפיהן עד למועד בו תיפרע מלוא היתרה הבלתי מסולקת של אגרות החוב (סדרה ז') של החברה, דירקטוריון החברה ימנה לא פחות מ-2 דירקטורים חיצוניים (כהגדרתם בחוק החברות) וכן דירקטור נוסף בלתי תלוי (כהגדרתו בחוק החברות) ; (ב) בכפוף לדינים החלים על החברה (ושאינם ניתנים להתנאה), הוראות בהתאם למפורט בחלקים א' ו-ב' לתוספת הרביעית לחוק ניירות ערך, התשכ"ח-1968 (“חוק ניירות ערך”) כמתחייב על-פי סעיף 39א לחוק ניירות ערך ובכפוף לסמכות רשות ניירות ערך לפטור את החברה מהוראות אלה, כולן או חלקן.

לאור האמור, מכונסת אסיפה זו לצורך אישור התקנון המוצע.

¹ לנוהל הביצוע של תכנית ההסדר ראו דוח מידי מיום 11 בדצמבר, 2016 (מס' אסמכתא : 2016-01-138352), כפי שתוקן ביום 15 בדצמבר, 2016 (מס' אסמכתא : 2016-01-139900), ביום 19 בדצמבר, 2016 (מס' אסמכתא : 2016-01-140521) וביום 20 בדצמבר, 2016 (מס' אסמכתא : 2016-01-141154).

1.2. מינוי דירקטור בלתי תלוי (שאינו דח"צ) לדירקטוריון החברה

ההחלטה המוצעת: מוצע לאשר את מינויו של מר יהושע (שוקי) אורן ("מר אורן"), לכהונה כדירקטור בחברה החל ממועד אישור מינויו על-ידי האסיפה ועד למועד האסיפה הכללית השנתית הבאה של החברה. מר אורן מסר לחברה הצהרה כמועמד לכהונה כדירקטור בחברה בהתאם לסעיף 224 לחוק החברות המצורפת **כנספח ב'** לדוח זה.

טרם זימן האסיפה, אישר דירקטוריון החברה את סיווגו של מר אורן כ-"דירקטור מומחה", כהגדרת מונח זה בתקנות החברות (כללים בדבר גמול והוצאות לדירקטור חיצוני), התש"ס-2000 ("תקנות הגמול"). סיווגו של מר אורן כדירקטור מומחה נעשה בהתאם להוראת תקנות החברות (תנאים ומבחנים לדירקטור בעל מומחיות חשבונאית ופיננסית ולדירקטור בעל כשירות מקצועית), התשס"ו-2005 ("תקנות המומחיות והכשירות"), בין היתר, בהתבסס על הצהרתו בדבר היותו בעל מומחיות חשבונאית ופיננסית וכן בהתחשב בהשכלתו, ניסיונו וכישוריו לפיהם הוא בעל מיומנות גבוהה והבנה עמוקה בתחום עיסוקה העיקרי של החברה. כמו-כן, סווג מר אורן כדירקטור בלתי תלוי, כהגדרת מונח זה בחוק החברות.

בגין כהונתו כדירקטור בחברה, יהא מר אורן זכאי לשכר דירקטורים בגובה ה-"סכום המירבי" האפשרי לדירקטור מומחה כמפורט בתקנות התגמול (התוספת הרביעית), כפי שיהיה מעת לעת ובהתאם לדרגה בה תהא מסווגת החברה מעת לעת. כמו-כן, מר אורן יהא זכאי להיכלל בהסדר ביטוח אחריות דירקטורים ונושאי משרה ושיפוי כמקובל בחברה, וזאת ככל יתר נושאי המשרה בחברה.

להלן פרטים בנוגע למר אורן, כנדרש בהתאם לתקנה 26 לתקנות הדוחות

שם משפחה ושם פרטי	יהושע (שוקי) אורן
מספר תעודת זהות	055625529
תאריך לידה	05/01/1959
מען להמצאת כתבי-דין	רומנילי 18א', תל אביב
נתינות	ישראלית
השכלה	תואר ראשון בכלכלה ותואר שני במנהל עסקים מטעם אוניברסיטת ירושלים.
עיסוק בחמש השנים האחרונות	מנכ"ל בחברת קרדן אן.וי (2012-2016). כיהן כדירקטור בחברות הבאות: Kardan N.V. (2012-2016); Kardan Land ; (2012-2016) China Ltd. ; Kardan (2012-2013) GTC SA. ; (2012-2016) Financial Services B.V. ; Tahal Group ; (2012-2016) International B.V. ; (2012-2016) GTC B.V. ;
האם מכהן כדירקטור בתאגידים נוספים	מכהן כדירקטור בחברת C2 Communities Services Inc.
האם בעל מומחיות חשבונאית ופיננסית	כן
האם הדירקטור הינו עובד של התאגיד, של חברה בת שלו, של חברה קשורה שלו או של בעל עניין בו	לא
האם הדירקטור הינו בן משפחה של בעל עניין אחר בתאגיד	לא

חברות בוועדה או וועדות של הדירקטוריון	לא
האם חבר דירקטוריון זה הינו דירקטור חיצוני	לא
האם החברה רואה את הדירקטור כדירקטור בלתי תלוי	כן

1.3. מינוי דירקטורים חיצוניים בחברה

מוצע למנות את המועמדים הבאים לכהונה כדירקטורים חיצוניים של החברה:

1.3.1. ההחלטה המוצעת: מוצע לאשר את מינויה של גב' מריה דספינה ("גב' דספינה") לכהונה כדירקטורית חיצונית בחברה, לתקופת כהונה בת שלוש (3) שנים, החל ממועד אישור המינוי על-ידי האסיפה.

גב' דספינה מסרה לחברה הצהרה כנדרש, בהתאם לסעיף 224ב(א) לחוק החברות ובהתאם לסעיפים 240 ו-241 לחוק החברות, המצורפת כנספת ג' לדוח מידי זה.

בהתאם לתקנות החברות (סוגים נוספים של חברות שבהן ניתן למנות דירקטורים חיצוניים שאינם תושבי ישראל), התשע"ו-2016 חברה שעיקר פעילותה מחוץ לישראל רשאית למנות דירקטור חיצוני שאינו תושב ישראל לכהונה בדירקטוריון.

בישיבתו מיום 17 בפברואר, 2017 אישר דירקטוריון החברה את התקיימותם של התנאים הקבועים בתקנות האמורות בכל הנוגע למינויה של גב' דספינה, אשר אינה תושבת ישראל, כדירקטורית חיצונית כדלקמן: (א) עיקר פעילותה של החברה הינה מחוץ לישראל, על-כן מאפייני פעילותה מצדיקים מינויה של הגב' דספינה שאינה תושבת ישראל; (ב) בהתאם להצהרתה, כפי שנמסרה לדירקטוריון, אין במינוי הגב' דספינה כדי לפגוע ביכולתה להיות נוכחת בישיבות הדירקטוריון; (ג) לגב' דספינה כתובת למסירת מסמכי בי-דין בישראל.

דירקטוריון החברה בישיבתו האמורה סיווג את גב' דספינה כבעלת כשירות מקצועית כהגדרת מונח זה בתקנות המומחיות והכשירות זאת בהתבסס, בין היתר, על הצהרתה.

בגין כהונתה כדירקטורית חיצונית גב' דספינה תהא זכאית לגמול שנתי וגמול השתתפות בגובה ה-"סכום המירבי" לדירקטור חיצוני כאמור בתקנות הגמול (התוספת השנייה והשלישית), כפי שיהיה מעת לעת ובהתאם לדרגה בה תהא מסווגת החברה מעת לעת. כמו-כן גב' דספינה תהא זכאית להיכלל בהסדר ביטוח אחריות דירקטורים ונושאי משרה ושיפוי כמקובל בחברה, וזאת ככל יתר נושאי המשרה בחברה.

להלן פרטים בנוגע לגב' דספינה, כנדרש בהתאם לתקנה 26 לתקנות הדוחות

שם משפחה ושם פרטי	Maria Despina
מספר תעודת זהות	737317 (Cyprus)
תאריך לידה	28/04/1973
מען להמצאת כתבי בי-דין	31A Karpenisiou St., Nicosia, 1077;

אצל שטיינמץ, הרינג, גורמן ושות' - עורכי דין, מנחם בגין 23 (מגדל לוינסטיין - קומה 18), תל אביב 6618356.	
קפריסאית	נתינות
תואר ראשון במנהל עסקים - The University Of Reading, UK ; תואר שני בניהול השקעות - Cass Business School London, UK.	השכלה
יועצת עצמאית (2013-היום). קצינת אשראי בבנק קפריסאי The Bank Of Cyprus / Private Banking (2009-2013).	עיסוק בחמש השנים האחרונות
לא	האם מכהנת כדירקטורית בתאגידים נוספים
לא	האם בעלת מומחיות חשבונאית ופיננסית
לא	האם הדירקטורית הינה עובדת של התאגיד, של חברה בת שלו, של חברה קשורה שלו או של בעל עניין בו
לא	האם הדירקטורית הינה בת משפחה של בעל עניין אחר בתאגיד
לא	חברות בוועדה או וועדות של הדירקטוריון
כן (בכפוף לאישור מינויה על-ידי האסיפה)	האם חברת דירקטוריון זה הינה דירקטורית חיצונית
כן	האם החברה רואה את הדירקטורית כדירקטורית בלתי תלויה

1.3.2. ההחלטה המוצעת: מוצע לאשר את מינויו של מר זאב מילבאואר ("מר מילבאואר") לכהונה כדירקטור חיצוני בחברה, לתקופת כהונה בת שלוש (3) שנים, החל ממועד אישור המינוי על-ידי האסיפה.

מר מילבאואר מסר לחברה הצהרה כנדרש, בהתאם לסעיף 224ב(א) לחוק החברות ובהתאם לסעיפים 240 ו-241 לחוק החברות, המצורפת כנספח ד' לדוח מיידי זה.

דירקטוריון החברה בישיבתו מיום 17 בפברואר, 2017 סיווג את מר מילבאואר כבעל מומחיות חשבונאית ופיננסית כהגדרת מונח זה בתקנות המומחיות והכשירות, זאת בהתבסס, בין היתר, על הצהרתו.

בגין כהונתו כדירקטור חיצוני מר מילבאואר יהא זכאי לגמול שנתי וגמול השתתפות בגובה ה-"סכום המירבי" לדירקטור חיצוני כאמור בתקנות הגמול (התוספת השנייה והשלישית), כפי שיהיה מעת לעת ובהתאם לדרגה בה תהא מסווגת החברה מעת לעת. כמו-כן מר מילבאואר יהא זכאי להיכלל בהסדר ביטוח אחריות דירקטורים ונושאי משרה ושיפוי כמקובל בחברה, וזאת ככל יתר נושאי המשרה בחברה.

להלן פרטים בנוגע למר מילבאואר כנדרש בהתאם לתקנה 26 לתקנות הדוחות

שם משפחה ושם פרטי	זאב מילבאואר
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מספר תעודת זהות	014473722
תאריך לידה	25/08/1995
מען להמצאת כתבי בי-דין	אבא קובנר 11/20 תל אביב.
נתינות	ישראלית
השכלה	לימודי תעודה - מנהל עסקים – מטעם מכללה למנהל; בעל רישיון ניהול תיקים- מטעם רשות ניירות ערך, ניתוח דוחות כספיים- מטעם אוניברסיטת ת"א; בעל תעודת תיווך במקרקעין- מטעם משרד המשפטים.
עיסוק בחמש השנים האחרונות	חברת ועדת השקעות - פניקס עמיתים (2009-היום), מנהל פעילות, בנקאי השקעות- IBI שירותי בורסה (2009-2015), מנכ"ל, דירקטור ובעלים - זאב מילבאואר בנקאות להשקעות בע"מ (2015-היום).
האם מכהן כדירקטור בתאגידים נוספים	זאב מילבאואר בנקאות להשקעות בע"מ (2015-היום).
האם בעל מומחיות חשבונאית ופיננסית	כן
האם הדירקטור הינו עובד של התאגיד, של חברה בת שלו, של חברה קשורה שלו או של בעל עניין בו	לא
האם הדירקטור הינו בן משפחה של בעל עניין אחר בתאגיד :	לא
חברות בוועדה או וועדות של הדירקטוריון	לא
האם חבר דירקטוריון זה הינו דירקטור חיצוני	כן (בכפוף לאישור מינויה על-ידי האסיפה)
האם החברה רואה את הדירקטור כדירקטור בלתי תלוי	כן

1. כינוס אסיפה כללית

1.1 מקום כינוס האסיפה הכללית ומועדה

האסיפה הכללית תתכנס ביום ב', ה-27 במרץ, 2017, בשעה 12:00 במשרדי החברה בקפריסין - Office 606 (6th floor) Nicolaou Pentadromos Centre Thessalonikis St., 3025 Limassol, Cyprus.

המניין החוקי לקיום האסיפה

בהתאם לתקנון הקיים של החברה כפי שאושר באסיפת בעלי המניות של החברה ביום 8 בדצמבר, 2016, ופורסם באתר ההפצה (מגנ"א) ביום 13 בדצמבר, 2016 (מס' אסמכתא: 2016-01-138964), אין לפתוח בדיוני האסיפה הכללית, אלא אם כן יהיה נוכח מנין חוקי באסיפה. מנין חוקי באסיפה יתהווה בשעה שיהיו נוכחים, בעצמם או על-ידי שלוח או באופן אחר שהחוק מאפשר, שלושה (3) בעלי מניות לפחות, המחזיקים ביחד מניות המקנות לפחות 1/5 מזכויות ההצבעה בחברה, תוך מחצית השעה מהמועד שנקבע לפתיחת האסיפה. אם כעבור מחצית השעה מהמועד שנקבע לאסיפה לא ימצא מניין חוקי, תידחה האסיפה לאותו

יום בשבוע העוקב באותה שעה ובאותו מקום, או ליום, שעה ומקום אחרים כפי שיקבע הדירקטוריון ("האסיפה הנדחית"). אם כעבור מחצית השעה מהמועד שנקבע לאסיפה הנדחית לא יימצא מנין חוקי, כי אזי האסיפה תתקיים בכל מספר משתתפים שהוא.

2. הרוב הנדרש לאישור ההחלטות

לצורך אישור ההחלטה המוצעת בסעיף 1.1 ובהתאם להוראות החוק הקפריסאי החל על החברה נדרש רוב של 75% מכלל בעלי המניות הנוכחים באסיפה (או באסיפה הנדחית) והמשתתפים בהצבעה בעצמם או באמצעות שלוח או באמצעות כתב הצבעה.

לצורך אישור ההחלטה המוצעת בסעיף 1.2 לעיל, נדרש רוב רגיל מכלל בעלי המניות הנוכחים באסיפה (או באסיפה הנדחית) והמשתתפים בהצבעה בעצמם או באמצעות שלוח או באמצעות כתב הצבעה.

לצורך אישור ההחלטות המוצעות בסעיף 1.3 לעיל; קרי: 1.3.1 ו-1.3.2 - בהתאם לסעיף 239(ב) לחוק החברות, נדרש רוב קולות של בעלי המניות הרשאים להצביע והמשתתפים באסיפה (או באסיפה הנדחית), ובלבד שיתקיים אחד מאלה: (א) במניין קולות הרוב באסיפה ייכללו רוב מכלל קולות בעלי מניות שאינם בעלי השליטה בחברה או בעלי עניין אישי באישור המינוי למעט עניין אישי שאינו כתוצאה מקשריו עם בעל השליטה, המשתתפים בהצבעה. במניין כלל הקולות של בעלי המניות האמורים לא יובאו בחשבון קולות הנמנעים; (ב) סך קולות המתנגדים בקרב בעלי המניות האמורים בפסקה (א) לא עלה על שיעור של שני אחוזים (2%) מכלל זכויות ההצבעה בחברה.

3. המועד הקובע

המועד הקובע לקביעת זכאות להשתתף והזכות להצביע באסיפה כללית בהתאם לסעיף 182(ג) לחוק החברות ולתקנה 3 לתקנות ההצבעה, וכן לצורך הצבעה באמצעות כתב הצבעה, הוא תום יום המסחר בניירות ערך של החברה בבורסה ב-27 בפברואר, 2017 ("המועד הקובע").

4. אופן ההצבעה, כתב הצבעה והודעת עמדה

בעלי מניות הזכאים להשתתף באסיפה ולהצביע על הנושאים שעל סדר היום, יוכלו לעשות זאת, לפי בחירתם, באחת הדרכים הבאות: (1) להגיע לאסיפה ולהצביע בה בעצמם; (2) למנות בא כוח שיגיע לאסיפה ויצביע בה במקומם, על-פי כתב מינוי וייפוי כוח; (3) להצביע באמצעות כתב הצבעה המצורף יחד עם דוח זימון זה ומהווה חלק בלתי נפרד הימנו; (4) בעל מניות לא רשום יהיה רשאי גם להצביע באמצעות מערכת ההצבעה האלקטרונית.

בעל מניה רשאי להצביע באסיפה בקשר עם אישור ההחלטות שעל סדר היום באמצעות כתב ההצבעה המצורף יחד עם דוח זה ומהווה חלק בלתי נפרד הימנו. כמו-כן, בעל מניות רשאי לפנות ישירות לחברה לקבלת נוסח כתב ההצבעה והודעות העמדה (ככל שרלוונטי).

כתובות האתרים של רשות ניירות ערך והבורסה לניירות ערך בתל-אביב בע"מ, שבהם ניתן למצוא את נוסח כתב ההצבעה והודעות עמדה כמשמעותן בסעיף 88 לחוק החברות, הינם: אתר ההפצה של רשות ניירות ערך: www.magna.isa.gov.il ("אתר ההפצה"); אתר הבורסה לניירות ערך בתל אביב בע"מ: maya.tase.co.il.

בהתאם לתקנות החברות (הוכחת בעלות במניה לצורך הצבעה באסיפה הכללית), התש"ס-2000 בעל מניה שלזכותו רשומה מניה אצל חבר בורסה ואותה מניה נכללת בין המניות הרשומות במרשם על שם החברה לרישומים, המעוניין להצביע באסיפה הכללית, נדרש להפקיד במשרדי החברה, לפחות ארבע (4) שעות לפני מועד האסיפה, אישור בדבר בעלותו במניה במועד הקובע כנדרש על-פי התקנות האמורות.

בעל מניות שמניותיו רשומות אצל חבר בורסה, זכאי לקבל את אישור הבעלות מחבר בורסה שבאמצעותו הוא מחזיק את מניותיו, בסניף של חבר הבורסה או בדואר אל מענו תמורת דמי משלוח בלבד, אם ביקש זאת. בקשה לעניין זה תינתן מראש לחשבון ניירות ערך מסוים. חבר בורסה ישלח, בלא תמורה, בדואר אלקטרוני, קישורית לכתב ההצבעה

וכתבי העמדה, באתרי ההפצה, לכל בעל מניות שאינו רשום במרשם בעלי המניות ואשר מניותיו רשומות אצל אותו חבר בורסה, אם הודיע בעל המניות כי הוא מעוניין בכך, ובלבד שההודעה ניתנה לגבי חשבון ניירות ערך מסוים ובמועד קודם למועד הקובע.

בעל מניות המעוניין למנות בא כוח שיגיע לאסיפה ויצביע בה במקומו ("בא כח") יחתום על כתב מינוי. שלוח אינו חייב להיות בעל מניה בחברה. כתב המינוי יחתם על-ידי הממנה או על-ידי באי כוחו שיש להם סמכות לכך בכתב, או אם הממנה הוא תאגיד - ייעשה המינוי בכתב חתום כדין ובחותמות התאגיד או בחתימת בא כוחו המוסמך. כתב מינוי של שלוח להצבעה וייפוי כוח או העתק שלהם המאושר על ידי נוטריון, יש להפקיד במשרדי החברה לפחות ארבעים ושמונה (48) שעות לפני המועד הקבוע לאסיפה או לאסיפה הנדחית.

בהתאם להוראות תקנה 4א' לתקנות החברות (הוכחת בעלות במניה לצורך הצבעה באסיפה הכללית), התש"ס-2000, מסר אלקטרוני מאושר לפי סעיף 5א44 לחוק ניירות ערך שעניינו נתוני המשתמשים במערכת ההצבעה האלקטרונית - דינו כדין אישור בעלות לגבי כל בעל מניות הנכלל בו.

הצבעה באמצעות כתב הצבעה תהא תקפה רק אם תתקבל בכתובתה הרשומה של החברה, בצירוף אישור בעלות של בעל המניות הלא רשום, או צילום תעודת זהות, דרכון או תעודת התאגדות, אם בעל המניות רשום בספרי החברה, לא יאוחר מארבע (4) שעות לפני מועד כינוס האסיפה. ההצבעה תיעשה על-גבי החלק השני של כתב ההצבעה.

המועד האחרון להמצאת הודעות עמדה לחברה הינו עד עשרה (10) ימים לפני מועד האסיפה. החברה רשאית להמציא לרשות ולבורסה הודעת עמדה שתכלול את תגובת הדירקטוריון כאמור בסעיף 88(ג) לחוק החברות, עד חמישה (5) ימים לפני מועד האסיפה.

המודעה תפורסם באתר האינטרנט של החברה בהתאם לתקנות החברות (הודעה ומודעה על אסיפה כללית ואסיפת סוג בחברה ציבורית והוספת נושא לסדר היום), התש"ס-2000 ("תקנות הודעה ומודעה").

5. הצבעה באמצעות המערכת האלקטרונית

בעל מניות לא רשום רשאי להצביע ביחס לכל ההחלטות אשר על סדר היום כמפורט לעיל, באמצעות כתב הצבעה שיועבר לחברה במערכת ההצבעה האלקטרונית ("כתב הצבעה אלקטרוני").

בעל מניה לא רשום שלזכותו רשומה מניה אצל חבר בורסה, זכאי לקבל מחבר בורסה מספר מזהה וקוד גישה וכן מידע נוסף בקשר עם האסיפה הרלוונטית ולאחר תהליך הזדהות מאובטח יוכל להצביע במערכת ההצבעה האלקטרונית. כתב ההצבעה האלקטרוני נפתח להצבעה בתום המועד הקובע. ההצבעה באמצעות מערכת ההצבעה האלקטרונית תסתיים שש (6) שעות לפני מועד האסיפה, אז תיסגר מערכת ההצבעה האלקטרונית ("מועד נעילת המערכת"). ההצבעה האלקטרונית תהיה ניתנת לשינוי או לביטול עד למועד נעילת המערכת, ולא יהיה ניתן לשנותה באמצעות מערכת ההצבעה האלקטרונית לאחר מועד זה, לרבות מקום בו לא תושלם האסיפה במועד ותקבע אסיפה נמשכת או אסיפה נדחית לצורך השלמתה. עם הכניסה למערכת ההצבעה האלקטרונית, יוכל בעל המניות להצביע ביחס לנושא שעל סדר יום האסיפה. לחילופין יוכל לבקש כי פרטיו יועברו באמצעות המערכת לחברה לצורך הוכחת בעלות בניירות הערך, ללא ציון אופן ההצבעה, על מנת שיוכל להצביע פיזית באסיפה וללא צורך בהצגת אישור בעלות נוסף.

6. הוספת נושא על סדר היום

בעל מניה, אחד או יותר, שלו אחוז אחד (1%) לפחות מזכויות ההצבעה באסיפה הכללית, רשאי לבקש מדירקטוריון החברה, בהתאם לסעיף 66(ב) לחוק החברות, לכלול נושא בסדר היום של האסיפה הכללית, ובלבד שהנושא מתאים להיות נדון באסיפה הכללית ובהתאם לסדר הזמנים הקבוע בסעיף 5א' לתקנות הודעה ומודעה.

מצא הדירקטוריון כי נושא שהתבקש להכלילו בסדר היום כאמור לעיל מתאים להיות נדון באסיפה הכללית, תפרסם החברה כתב הצבעה מתוקן יחד עם דוח זימון מתוקן וזאת לא יאוחר משבעה (7) ימים לאחר המועד האחרון להמצאת בקשה של בעל מניות להכללת נושא על סדר היום. יהיה ניתן לעיין בסדר היום העדכני ובהודעות עמדה שהתפרסמו בדיווחי החברה שבאתר ההפצה.

יובהר, כי אין בפרסום סדר היום המעודכן (הכולל את הנושאים הנוספים), ככל שיעודכן, כדי לשנות את המועד הקובע כפי שנקבע בהודעה על זימון האסיפה.

7. פרטים על נציגות החברה לעניין הטיפול בדוח המייד

נציגות החברה לטיפול בדוח מייד זה הינו עו"ד חני ברוך ממשד עוה"ד שטיינמץ, הרינג, גורמן ושות', דרך מנחם בגין 23 (מגדל לוינסטיין - קומה 18), תל-אביב 6618356. טלפון: 03-5670100, פקס: 03-5670101.

8. המקום והזמנים שבהם ניתן לעיין בדוח

כל בעל מניות של החברה רשאי לעיין בדוח המייד ובמסמכים הנזכרים בו במשרד עוה"ד של החברה במשרדי שטיינמץ, הרינג, גורמן ושות' ברחוב דרך מנחם בגין 23 (מגדל לוינסטיין - קומה 18), תל אביב, בתיאום מראש בימים א'-ה' בין השעות 00:00-16:00 (טל': 03-5670100 ; פקס': 03-5670101), וזאת עד מועד כינוס האסיפה.

בכבוד רב,

MirLand Development Corporation Plc.

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

Of the Company

MIRLAND DEVELOPMENT CORPORATION PLC

1. INTERPRETATION

- 1.1 The following Articles shall constitute the regulations of the Company. Any words or expressions defined in the Law, unless the context otherwise requires, bear the same meaning in these Articles:

“Accounting and Financial Expertise” shall mean in relation to an individual, an individual that by virtue of education, experience and qualifications possesses high proficiency and understanding in business-accounting issues and financial statements, in a manner that allows that individual to thoroughly understand the Company's financial statements and to instigate a discussion in connection with the manner of the presentation of the financial data, to be determined at the discretion of the Board of Directors inter alia taking into account education, expertise and knowledge in the following issues: (i) accounting issues and accounting control issues characterizing the field in which the Company operates, as well as with companies of the same scale and complexity as the Company; (ii) auditor's functions and duties; (iii) preparation and approval of financial statements;

“Articles” shall mean these Articles of Association of the Company (as amended from time to time);

“Administrative Enforcement Committee” means a committee comprised of six (6) members appointed by ISA;

“Audit Committee” shall have the meaning assigned to that term in Regulation 15;

“Affiliated Company” shall mean a company in which another company - which is not a parent company thereof - holds 25% or more of the nominal value of its issued share capital or of the voting power therein or is entitled to appoint 25% or more of its directors;

“Associated Company” shall mean an Affiliated Company, and also a company in which another company - which is not a parent company thereof - has invested an amount equal to 25% or more of the equity of the other company, whether in shares or otherwise, excluding a loan given in the ordinary course of business;

“Board” or **“Board of Directors”** means the Board from time to time of the Company or the Directors present at a meeting of the Directors at which a quorum is present;

“Bonds” means Series G Bonds issued by the Company;

“Company” means MIRLAND DEVELOPMENT CORPORATION PLC.;

“Connection” means the existence of labor relations, business or professional relations generally or controls, as well as acting as an Officer, other than as a Director appointed to serve as an External Director in a company which intends to undergo an initial public offering;

“Control” means the ability to direct the activity of a company, excluding an ability deriving merely from holding an office of director or another office in such a company, while a Person shall be presumed to control a company if he holds fifty percent (50%) or more of the voting rights of such company or holds the right to appoint or dismiss more than half of the directors of such company or its general manager;

“Control Block” means Shares conferring twenty-five percent (25%) or more of the voting rights with respect to a Resolution of Shareholders of the Company;

“Controlling Shareholder” means the ability to direct the activity of a company, excluding an ability deriving merely from holding an office of director or another office in such a company, while a Person shall be presumed to control a company if he holds fifty percent (50%) or more of the voting rights of such company or holds the right to appoint or dismiss more than half of the directors of such company or its general manager;

“Court” means the means the District Court of Limassol, Cyprus;

“Debentures Company” a Private Company which its debt obligations are registered for trade on stock exchange market or have been offered to the public in Israel in accordance to a prospectus, or have been offered to the public outside Israel in accordance to a public offering form required in accordance to the law outside Israel, and are held by the public;

“Director” means a member of the Board of Directors of the Company who is either an External Director or Non-External Independent Director or Non-External and Non-Independent Director;

“Distribution” transfer of an asset, other than shares, to or for the benefit of a shareholder in relation to shares held by a shareholder, or the incurring of a debt to or for the benefit of a shareholder in relation to shares held by a shareholder, and whether by means of a purchase of an asset, the redemption or other acquisition of shares, a distribution of indebtedness or otherwise, and includes a dividend;

“Enforcement measures” means measures which may be imposed by the Administrative Enforcement Committee, which include, the following: financial sanctions, payments to the parties injured by the violation, taking measures to correct the violation and to prevent its repetition, prohibition against serving as an Officer in an Israeli company, revocation or suspension of a license, approval or permit granted by an Israeli public authority;

“Extraordinary Private Placement” means (1) private offer to an Interested Party or a private offering of securities, granting five percent (5%) or more of the total voting rights in a company before such offering, provided that it is not a Substantial Private Placement; for this purpose, securities convertible into or exercisable for shares to be issued under the private offering, shall be considered as having been converted or realized; (ii) Private Placement to Director or general manager that it is not an Substantial Private Placement;

“External Director” means a Director appointed as such by Resolution of Shareholders after the Audit Committee has confirmed that all of the conditions stated in

Regulations 11.3-11.8 have been met and whose gender, special expertise, term in office, remuneration, manner of removal/dismissal, and limitation after tenure are governed in accordance to Regulations 11.1, 11.4, 11.8, 11.9, 11.11-11.14, and 11.16, accordingly;

“Extraordinary Transaction” means in relation to a company, a Transaction that: (i) is not in the ordinary course of such company's business; or (ii) is not on market terms; or (iii) may have a substantial effect on such company's profitability, property or liabilities;

“Financial Statements Committee” shall have the meaning assigned to that term in Regulation 33.1;

“General Meeting” means an Annual Meeting or an Special Meeting of the Holders of a class of shares;

“Holding” and “Purchase” includes in relation to Securities, voting power and the like; whether alone or with others, directly or indirectly, through a trustee or a trust company; or in any other manner, and (i) in case of Holding by a company, also by its Subsidiary or by an Associated Company, and (ii) in case of Holding by an individual, the individual and his Relatives who live with him or whose livelihood depends on each other, are deemed one person;

“Holding or Purchase of Securities Together with Others” the Holding or Purchase of Securities in cooperation between two or more persons according to an agreement, whether written or verbal; without derogating from the generality of the aforesaid, the following shall prima facie be deemed to be Holding Securities jointly: (i) a company that holds or purchases Securities together with a party which is an Interested Party in such company or with an associate; (ii) a Person whose business is the Holding or trading of Securities on behalf of others, together with his customer or with his Relative who does not live with him, the livelihood of the one not depending on the other, for whom he holds and manages Securities under a power of attorney granting him discretion with respect to the use of the voting power;

“Interested Party” means in relation to a company, a Substantial Shareholder of such company or a Person with authority to appoint one or more Directors or the general manager and a person acting as Director, general manager of such company;

“Internal Auditor” shall have the meaning assigned to that term in Regulation 29.1 of the Articles;

“ISA” means the Israel Securities Authority;

“Judgment” means a judgment of the first instance by a court in Israel;

“Law” means the Cypriot Companies Law, Cap. 113 or any law substituting or amending the same;

“Means of Control” means in relation to a company, each of the following: (i) the right to vote in the general meeting of such company or a corresponding body of another company; (ii) the right to appoint directors of such company, its general manager;

“Members” mean the holders of shares in the capital of the Company. Also referred in the Articles as **“Shareholders”**;

“Non-External Independent Director” means a Director appointed as such by Resolution of Shareholders or by Resolution of Directors after the Audit Committee has confirmed that all of the conditions stated in Regulations 11.3-11.8 (apart from being a resident of the state of Israel which is not required) have been met and whose remuneration, manner of removal/dismissal, and limitation after tenure are governed in accordance to Regulations 11.8, 10.7-10.9, 11.11-11.14, and 11.16, accordingly. A Non-External Independent Director will not serve as a Director in the Company for a period longer than nine (9) years. In this connection, ceasing to serve as Director for a period which isn't longer than two (2) years will not be considered as stopping the sequence of directorship;

“Non-External and Non-Independent Director” means any Director of the Company who is neither an External Director nor a Non-External Independent Director;

“Officer” means any general manager, chief executive officer, deputy general manager, vice president or any other person fulfilling such duties for and on behalf of the Company even if he has a different title from those stated above or any Director, or any other manager directly subordinated to the general manager;

“Ordinary Resolution” means an ordinary resolution of the General Meeting;

“Other Body Corporate” means a body corporate in which the Company or a Controlling Shareholder is the Controlling Shareholder, in, on the date of appointment or during the two (2) years prior thereto;

“Person” mean individuals, the estates of deceased individuals, unincorporated associations of persons and all legal entities capable of having a legal existence;

“Personal Interest” means in relation to a company, a Person's personal interest in an act or a Transaction of such company, including a personal interest of his Relative and of another company in which he or his Relative is an Interested Party, except for a personal interest which derives from the mere fact of Holding shares in such company, and including a personal interest of a Person voting in accordance to a proxy given to him by another Person, even though the other Person has no personal interest, and voting by a Person who was given a proxy by another person who has a personal interest, will be considered as voting by the Person who has a personal interest, all whether the discretion in regards to the voting is granted to the Person voting or not;

“Private Company” means a company which is not a Public Company;

“Private placement” means an offer for the issue of securities of a Public Company that is not an offer to the public;

“Professional Qualifications” shall mean in relation to an individual, an individual satisfying one of the following conditions: (i) holder of an academic degree in one of the following professions: economics, business management, accounting, law, public administration; (ii) holder of another academic degree or having completed other studies of higher education, all in the Company's principal area of activity or in the field relevant to the position; (iii) having experience of at least five (5) years in one of the following, or having cumulative experience of at least five (5) years in two or more of the following: (a) a senior position in the business management area of a company with a substantial scope of business; (b) in a senior public office or in a senior office in the public service; (c) in a senior office in the Company's principal areas of activity;

“Public Company” means a company which shares are registered for trade on stock exchange, or have been offered to the public in Israel, in accordance to a prospectus, or have been offered to the public outside Israel in accordance to a public offering form required in accordance to the law outside Israel, and are held by the public;

“Purchase of Securities” means any acquisition of the Company's Securities, including but not limited to an acquisition of the Company's Securities by way of allotment when the Securities are first issued;

“Remuneration Committee” shall have the meaning assigned to that term in Regulation 16;

“Remuneration Policy” means a policy regarding the terms of tenure and employment of Officers of the Company;

“Relative” spouse, sibling, parent, grandparent, child or child of spouse or spouse of any of the above;

“Retirement Grant” means a grant, payment, remuneration, compensation or any other benefit provided to Officers in connection with the conclusion of their position at the Company;

“Resolution of Directors” means (a) a resolution approved at a duly constituted meeting of Directors or of a committee of Directors of the Company, by affirmative vote of a majority of the Directors present at the meeting who voted and did not abstain; or (b) a resolution consented to in writing by all the Directors of the Company or all the members of the committee, as the case may be;

“Resolution of Shareholders” means, a resolution approved at a duly constituted meeting of the Shareholders of the Company by the affirmative vote of a simple majority, of the votes of the Shares that were present at the meeting and entitled to vote thereon and were voted and did not abstain;

“Securities” means shares, debt obligations of every kind, and includes options, warrants and rights to acquire shares;

“Seal” means any seal which has been duly adopted as the common seal of the Company;

“Secretary” means any person appointed to perform the duties of the secretary of the Company and includes an assistant secretary;

“Share” means the ordinary shares with a nominal value of US\$0.20 (twenty cent) each in the share capital of the company issued or to be issued by the Company;

“Shareholder” means a Person who holds a Share in the Company. Also referred in the Articles as a **“Member”**;

“Special Resolution” means a resolution passed by a majority of not less than three-fourths (3/4) of such members as, being entitled so to do, vote in person or by proxy at a General Meeting of which not less than twenty-one (21) days' notice specifying the intention to propose the resolution as a special resolution has been duly given.

“Subsidiary” shall mean in relation to a company, a company in which another company holds fifty percent (50%) or more of the nominal value of its issued share capital or of the

voting power therein or is entitled to appoint half or more of the directors, its general manager or its president;

“Substantial Shareholder” means in relation to a company, a Person holding five percent (5%) or more of such company's issued share capital or of such company's voting rights;

“Substantial Private Placement” means (i) private offering of securities granting of twenty percent (20%) or more of the total voting rights in a company before such offering, or as a result of the offering holdings of a Substantial shareholder in securities of the Company will increase or as a result of which a Person will become a Substantial Shareholder after the offering; for this purpose, securities convertible into or exercisable for shares issued under the private offering, shall be considered as having been converted or realized; (ii) Private Placement to director or general manager or to whom those who will become the Controlling Shareholder as a result of the offering; for the purpose of holding, securities which are convertible into or realizable as shares held by such person or issued to him pursuant to the Private Placement, shall be considered as having been converted or realized

“TASE” means the Tel Aviv Stock Exchange Ltd.;

“TASE Rules” means the rules of the Tel Aviv Stock Exchange Ltd, as amended from time to time.

“Tender offer” means an offer to purchase shares, made to all the shareholders of the Company;

“Transaction” a contract or agreement as well as unilateral decision on the part of the Company in respect of the grant of a right or other benefit;

“Written” or any term of like import includes information generated, sent, received or stored by electronic, electrical, digital, magnetic, optical, electromagnetic, biometric or photonic means, including electronic data interchange, electronic mail, telegram, telex or telecopy, and **“in writing”**

- 1.2 In the Memorandum and Articles, unless the context otherwise requires a reference to: a **“Clause”** is a reference to a clause of the Memorandum; a **“Regulation”** is a reference to a regulation of the Articles; the singular includes the plural and vice versa and the masculine shall include the feminine and neuter; Words denoting persons shall include bodies corporate and unincorporated associations; Headings are inserted for convenience only and shall be disregarded in interpreting the Memorandum and Articles.
- 1.3 The expressions **“communication”** and **“electronic communication”** shall include without limitation, e-mail, facsimile, CD-ROM, audio tape and telephone transmission and publication on a web site.
- 1.4 The expression **“address”** shall include, in relation to electronic communication, any number or address used for the purposes of such communication.
- 1.5 The provisions of Table A of the First Schedule of the Law shall not be applicable to the Company.

2. PUBLIC COMPANY

The Company is a Public Company as defined in the Law. The liability of the Company's members is limited and, accordingly, each member's responsibility for the Company's

obligations shall be limited to the payment of the nominal value of the shares held by such member, subject to the provisions of these Articles and the Law.

3. AUTHORIZED SHARE CAPITAL

The authorized share capital of the company at the date of adoption of these Articles is US\$ 17,000,000 divided into 85,000,000 eighty five million ordinary shares of US\$0.20 nominal value each. The powers, preferences, rights, restrictions and other matters relating to the shares are as set out in these Articles. Warrants, options and other securities convertible or exercisable into shares shall not be considered as Shares for purposes of these Articles.

4. UNISSUED SHARES

Subject to the provisions of these Articles and any resolution of the Company at a General Meeting, the Board may offer, allot (with or without conferring a right of renunciation), grant options over or otherwise deal with or dispose of any unissued shares (whether forming part of the original or any increased capital) to such Persons, at such times and generally on such terms as the Board may decide.

5. SHARES

- 5.1 Shares and other Securities may be issued at such times, to such Persons, for such consideration and on such terms as the Directors may by a Resolution of Directors determine.
- 5.2 A Share may be issued for consideration in any form, including money, a promissory note, real property, personal property (including goodwill and know-how) or a contract for future services.
- 5.3 Subject to the provisions of section 105 of the Law, the Company shall keep a register (the **"Register of Members"**) containing: (i) the name, identity number and address of the Shareholder, as notified to the Company; (ii) amount of Shares and class of Shares held by each Shareholder, indicating their nominal value, if any, and if any amount of the consideration fixed for a Share is not yet paid, the amount unpaid; (iii) the date of allotment of the shares or the dates of their transfer to shareholders, as the case may be; and (iv) where the shares are marked with distinctive numbers, the Company shall note next to the name of each shareholder the numbers of the shares registered in such person's name the date on which any Person ceased to be a Member.
- 5.4 The Register of Members may be in any such form as the Directors may approve, but if it is in magnetic, electronic or other data storage form, the Company must be able to produce legible evidence of its contents. Until the Directors otherwise determine, the magnetic, electronic or other data storage form shall be the original register of members.
- 5.5 The Company may by Special Resolution reduce its share capital, any capital redemption, reserve fund or any share premium account in any manner and with, and subject to, any incident authorized, and consent required, by Law.
- 5.6 The Company shall not give, whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any Person of or for any shares in the Company or in its holding company nor shall the Company make a loan for any purpose whatsoever on the security of its Shares or those of

its holding company. Nothing in this Regulation shall prohibit transactions mentioned in the proviso to section 53(1) of the Law.

6. REDEMPTION OF SHARES AND TREASURY SHARES

- 6.1 Subject to the Law or any other provision in the Memorandum or Articles, the Company may purchase, redeem or otherwise acquire and hold its own Shares.
- 6.2 Subject to the Law, Shares that the Company purchases, redeems or otherwise acquires may be cancelled or held as Treasury Shares.
- 6.3 Subject to the Law, all rights and obligations attaching to a Treasury Share are suspended and shall not be exercised by the Company while it holds the Share as a Treasury Share.
- 6.4 Subject to the Law, treasury Shares may be disposed of by the Company on such terms and conditions (not otherwise inconsistent with the Memorandum and Articles) as the Company may by Resolution of Directors determine.

7. FORFEITURE

- 7.1 Shares that are not fully paid on issue are subject to the forfeiture provisions set forth in this Regulation and for this purpose Shares issued for a promissory note or a contract for future services are deemed to be not fully paid.
- 7.2 A written notice of call specifying the date for payment to be made shall be served by the directors on the Shareholder who defaults in making payment in respect of the Shares.
- 7.3 The written notice of call referred to in Regulation 7.2 shall name a further date not earlier than the expiration of 14 days from the date of service of the notice on or before which the payment required by the notice is to be made and shall contain a statement that in the event of non-payment at or before the time named in the notice the Shares, or any of them, in respect of which payment is not made will be liable to be forfeited.
- 7.4 Where a written notice of call has been issued pursuant to Regulation 7.3 and the requirements of the notice have not been complied with, the Directors may, at any time before tender of payment, forfeit and cancel the Shares to which the notice relates.
- 7.5 A person whose shares have been forfeited shall cease to be a Shareholder in respect of the forfeited Shares, but shall, notwithstanding, remain liable to pay to the company all moneys which, at the date of forfeiture, were payable by him to the company in respect of the shares, but his liability shall cease if and when the company shall have received payment in full of all such moneys in respect of the shares.

8. TRANSFER OF SHARES

- 8.1 Shares may be transferred by a written instrument of transfer signed by the transferor and the transferee and containing the name and address of the transferee, which shall be sent to the Company for registration.
- 8.2 Subject to article 8A and 8B, The Company shall, on receipt of an instrument of transfer complying with Regulation 8.1 enter the name of the transferee of a Share in the register of members unless the Directors resolve to refuse or delay the registration of the transfer for reasons that shall be specified in a Resolution of Directors.

- 8.3 The transfer of a Share is effective when the name of the transferee is entered on the register of members.

RESTRICTIONS ON TRANSFER

- 8A The Board may at its absolute discretion refuse to register any transfer of a share to a transferee where by doing so the Company shall be in breach of the TASE Rules and/or any requirement of the ISA from time to time and may also for the same reason require any person who is or may become a registered member of the Company to transfer any shares registered in his name to a person who would hold the same in trust for him and such member shall be obliged to do so.

A declaration by the board of directors shall be conclusive irrespective of whether notice of such obligation has been given or received by such member concerned.

- 8B For the purposes of Article 8A the members of the Company hereby appoint the Board, and/or any one of the directors of the Company who may be nominated by the Board for this purpose to act as their agents, to execute and sign any documents including an instrument of transfer, in relation to the transfer of any shares which are held by them or any one of them, in one or more lots at the discretion of the Directors to any person they shall at their sole discretion determine and who shall hold the shares on trust for that member and such member who shall as from such transfer be registered as the registered member of all such shares.
- 8C An instrument of transfer executed by any director of the Company authorized by the Board shall be as effective as if it has been executed by the holder of the transferred shares and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating to the transfer.
- 8D If the Board refuse to register the transfer pursuant Article 9.1, the Board may authorize in writing any director of the Company to execute any necessary transfer on behalf of any transferee (if required).

9. GENERAL MEETINGS

- 9.1 The powers of the General Meeting will be in accordance with those enumerated by the Law and these Articles.

9.2 Annual General Meeting

An annual general meeting shall be held once in every calendar on a date which shall be set by the Board of Directors but no later than fifteen (15) months after the last preceding Annual General Meeting. All of the General Meetings of the Company shall be convened in Cyprus, unless otherwise agreed by the Board. Such General Meetings shall be called **"Annual General Meetings"**.

An Annual General Meeting shall be called by at the least twenty-one (21) days' notice in writing to all Shareholders. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall be given in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in General Meeting, to such Persons as are, under this Articles, entitled to receive such notices from the Company.

9.3 Special Meetings

All General Meetings other than Annual General Meetings shall be called “**Special Meetings**”. The Board of Directors may, whenever it deems fit, convene a Special Meeting at such time and place, within Cyprus or outside Cyprus, as may be determined by the Board of Directors, and shall be obliged to do so upon a requisition in writing, as provided by section 126 of the Law Any request for convening a meeting must specify the purposes for which the meeting is to be called, shall be signed by the persons requesting the meeting, and shall be delivered to the Company's registered offices

- 9.4 In addition to the requisition stated in Regulation 9.33 above, the Company's board of directors shall convene a Special Meeting, pursuant to its resolution, and on the requisition of any of the following:

- 9.4.1 Two (2) directors or one-quarter (1/4) of the Directors serving in office;
- 9.4.2 one or more shareholders holding at least five percent (5%) of the issued capital and one percent (1%) of the voting rights in the Company, or one or more shareholders holding at least five percent (5%) of the voting rights in the Company.

If the Board is requisitioned to convene a Special Meeting, as hereinabove stipulated, it shall do so within 21 days of the requisition being submitted, at the time determined in the notice of the Special Meeting, as provided in article 9.9 below, provided that the Special Meeting shall not be held later than 35 days from the notice's publication, unless it is provided otherwise with respect to a meeting in the Articles and/or the Law.

- 9.5 If the board of directors does not convene a Special Meeting that has been requisitioned as provided in Regulation 9.4 above, the person requisitioning the meeting, and in the case of shareholders - also some of them, holding more than one half (1/2) of the total number of voting rights, may convene the meeting themselves, provided that it shall not be held after three (3) months have elapsed from the date the requisition was submitted as aforesaid, and it shall be convened, insofar as possible, in the same manner in which meetings are convened by the board of directors.
- 9.6 If the board of directors does not convene a Special Meeting that has been requisitioned as provided in Regulation 9.44 above, the Court may, by application of any Director or Shareholder entitled to vote in the relevant meeting, to convene a Special Meeting.
- 9.7 Where a General Meeting is convened as provided in to Regulation 9.5 or 9.6 above the Company shall cover the reasonable costs incurred by the party demanding the convening of the meeting, and the directors responsible for the non-convening of the meeting shall be responsible for repaying such costs to the company.

9.8 Agenda

- 9.8.1 The agenda at a General Meeting shall be determined by the board of directors and it shall also include the matters for which a Special Meeting is requisitioned pursuant to Regulation 9.33 above and a matter requested as provided in article 9.8.2 below.
- 9.8.2 A shareholder (including two or more shareholders that are acting in concert, “**Proposing Shareholder(s)**”) holding at least one percent (1%) of the voting rights in the Company may request, that the Board of Directors include a

proposal on the agenda of a General Meeting to be held in the future, provided that the matter is suitable for discussion at a General Meeting.

- 9.8.3 A request as mentioned in Regulation 9.8.2 above shall be submitted to the Company in writing before notice is given of the general meeting, and shall include the form of wording of the resolution proposed by the shareholder.
- 9.8.4 Only resolutions regarding matters set out in the agenda may be passed by the General Meeting.
- 9.8.5 The agenda at the Annual General Meeting shall include the following matters:
 - 9.8.5.1 a discussion of the annual report on the Company's financial statements and the board of directors' report on the state of the Company's affairs, which is submitted to the General Meeting;
 - 9.8.5.2 the appointment of directors and the determination of their employment terms;
 - 9.8.5.3 the appointment of an auditor;
 - 9.8.5.4 the board of directors' report on the auditor's remuneration for the audit and for other services, if any;
 - 9.8.5.5 the declaration of dividends;
 - 9.8.5.6 In addition to the aforesaid, any other matter specified at the Articles of Association to be included at annual general meeting or any other matter specified on the agenda may be included on the annual meeting's agenda, as provided in article 9.44 above.

9.9 Notice of a General Meeting

- 9.9.1 An Annual General Meeting and a Special Meeting called for the passing of a Special Resolution shall be called by twenty-one (21) days' notice in writing at the least, and a meeting of the Company other than an Annual General Meeting or a Special Meeting for the passing of a Special Resolution shall be called by fourteen (14) days' notice in writing at the least.

The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting and, in case of special business, the general nature of that business, and shall be given in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in General Meetings, to such persons as are, under the Articles, entitled to receive such notices from the Company.

Notwithstanding the above provision, a notice of a General Meeting at which matters stipulated in Regulation 9.11.1 appear on the agenda, shall be published at least 35 days prior to convening of such Special Meeting.

- 9.9.2 Notice of a General Meeting shall include the type of meeting, the place, date and time at which the General Meeting will convene and shall include the agenda items, a summary of the proposed resolutions, the necessary majority for

approving the resolutions, the right of the shareholder to vote by way of proxy to be transferred to the electronic voting system, the final date for the inclusion of any items on the agenda, as well as the effective date for setting the entitlement of the shareholders to vote at the General Meeting.

9.9.3 The notice shall include the phone number and registered office address of the company, and the times that that the full version of the proposed resolutions can be viewed; the Company may set other places for viewing such items including a website.

9.9.4 Notwithstanding the provisions contained in Regulations 9.2 and 9.9, provided that a General Meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in this regulation, be deemed to have been duly called if it is so agreed -

9.9.4.1 In the case of a meeting called as the Annual General Meeting, by all the members entitled to attend and vote thereat; and

9.9.4.2 In the case of a Special Meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95 percent (95%) in nominal value of the shares giving that right.

9.9.5 All notices and other communications relating to a General Meeting and which each member is entitled to receive shall also be given to the Auditors of the Company.

9.10 Proceedings At General Meetings

9.10.1 No discussion may be commenced at the General Meeting unless a quorum is present at the time of the meeting proceeds to business. A quorum shall be constituted by the presence, in person or by proxy, of two (2) shareholders holding at least 25% of the voting rights, within half an hour of the time fixed for the meeting's commencement, unless these Articles otherwise provide.

9.10.2 If within half an hour from the time set for the meeting a quorum is not present, in person or by proxy, the meeting shall stand adjourned to the same day in the next week, at the same time and place, or at another date, time and place as shall be set forth by the board of directors decides in a notice to all of those persons who are entitled to receive notice of General Meetings

9.10.3 If within half an hour from the time set for the adjourned meeting a quorum is not present, in person or by proxy, the Shareholders/s present shall be a quorum.

9.10.4 The chairman of the board of directors or any other person appointed for such purpose by the board of directors shall chair any General Meeting of the Company. If there is no such chairman, or if he is not present at any meeting within 15 minutes of the time fixed for the meeting's commencement or he refuses to chair the meeting, the directors present may, by a majority, elect a chairman from amongst them, and if they do not do so - the shareholders present, in person or by proxy, shall elect one of the directors present to chair the meeting. If no director is present or if all the directors refuse to chair the meeting, they shall elect one of the shareholders or his proxy to chair the meeting.

- 9.10.5 The Company shall keep minutes of the proceedings at the General Meeting, which shall include the following details:
 - 9.10.5.1 The names of the shareholders participating in the General Meeting and the number of shares held by them;
 - 9.10.5.2 The matters discussed at the General Meeting and the resolutions passed thereat.
- 9.10.6 Minutes signed by the meeting's chairman shall constitute prima facie proof of that stated therein.

9.11 Voting by Voting Paper and Statement of Position

- 9.11.1 Subject to the Law, shareholders may vote in the general meeting by means of a voting paper in which the shareholder indicates how he votes on resolutions relating to the following matters:
- (a) appointment and removal of directors;
 - (b) approval acts or transactions requiring the approval of the General Meeting pursuant to Transactions with Controlling Shareholders and/or Officers and Directors of the Company;
 - (c) approval of a merger; and
 - (d) any other matter in respect of which there is a provision in the Articles or thereunder to the effect that decisions of the General Meeting may also be passed by means of a voting paper;
- 9.11.2 Shareholders may indicate their vote on the voting paper and send it to the Company.
- 9.11.3 A voting paper on which a shareholder has indicated his vote and which has reached the Company prior to the last day prescribed for such shall be considered as presence at the meeting for the purposes of the existence of a quorum.
- 9.11.4 A voting paper received by the Company as provided in Regulation 9.11.1 above regarding a particular matter in respect of which no vote was held at the General Meeting shall be considered as an abstention in the vote at such General Meeting in respect of a resolution to hold an adjourned meeting, and shall be counted at the adjourned meeting.
- 9.11.5 In addition to the provisions of Regulation 9.11.1 above a Shareholder, may vote at the General Meeting by way of proxy statement which shall be transferred to the Company by way of the electronic voting system, as well as for all other agenda items of the meeting as said, and Regulation 9.11.1-9.11.4 will apply on it.
- 9.11.6 Notwithstanding anything contained in Regulation 9.11, any voting paper which is submitted by shareholders in accordance with the terms thereof, shall, unless otherwise provided, be considered as authorizing the chairman of the general meeting of the Company to count and cast the respective votes in the manner specified on the voting paper as if it was a proxy properly filed.

9.12 Voting and Passing Resolutions at General Meetings

- 9.12.1 A Shareholder may vote at a General Meeting or at a class meeting in person or by proxy, in accordance with the provisions of these Articles. A proxy need not be a Shareholder in the Company.
- 9.12.2 Subject to the provisions of any law, in the case of joint shareholders, each of them may vote at any meeting, in person or by proxy, in relation to such share, as though he were the sole person entitled thereto. If more than one joint shareholder attends a meeting, in person or by proxy, the vote shall be made by

the joint shareholder whose name appears first in the shareholders' register in relation to the share, or in a certificate of the stock exchange member regarding his title to the share (hereinafter referred to as "**Certificate of Title**") or in another document determined by the Board for such purpose, as the case may be.

- 9.12.3 A shareholder lacking legal capacity may vote through his guardians or another person appointed by a court, and any guardian or other person as aforesaid may vote through a proxy.
- 9.12.4 The instrument appointing a proxy (hereinafter referred to as the "**Appointment Instrument**") and the power of attorney by virtue whereof the appointment instrument is signed (if any), or a suitable copy thereof, at the board of directors' satisfaction, shall be deposited at the registered office or at any other place or places, in Israel or abroad - as determined by the Board of Directors from time to time, in general or in relation to a particular case - at least 48 hours prior to the commencement of the meeting at which the proxy intends voting in reliance upon such Appointment Instrument. Notwithstanding the aforesaid, the meeting's chairman may, at his discretion, accept an Appointment Instrument and a power of attorney, as aforesaid, also after the said time if, at his discretion, he deems it fit. If the Appointment Instrument and power of attorney are not received as provided above, they shall not be valid at such meeting.
- 9.12.5 The Appointment Instrument shall be drawn up in writing and signed by the appointer or by the person duly authorized therefor in writing, and by a witness to his signature, if so required by the Board. If the appointer is a corporation, the Appointment Instrument shall be drawn up in writing and signed in the manner binding the corporation. The Board of Directors may demand that the Company be given written confirmation, to the Board of Directors' satisfaction, of the signatories' authority to bind the corporation
- 9.12.6 The Appointment Instrument shall be drawn up in the following form of wording or in a form of wording as similar thereto as possible:

"I _____, of _____, as a shareholder of _____ Ltd, hereby appoint _____ of _____ or in his absence _____ of _____ as my proxy, to vote in my name and stead in respect of _____* shares of _____** class which are held by me, at the (annual/special) General Meeting of the Company to be held on _____ and at any adjourned meeting thereof.

As witness my hand on _____

Signature

* State the number of shares. ** State the class of shares.

- 9.12.7 Without derogating from the provisions of these Articles regarding the appointment of a proxy, a shareholder holding more than one share shall be entitled to appoint more than one proxy, subject to the following provisions:

- 9.12.7.1 Each Appointment Instrument shall state the class and number of shares in respect of which it is being given;
- 9.12.7.2 if the overall number of shares of any class specified in the Appointment Instruments given by one shareholder exceeds the number of shares of such class registered in his name or specified in the certificate of title, as the case may be, all the Appointment Instruments given by such shareholder shall be void.
- 9.12.8 A shareholder or proxy may vote by virtue of some of the shares held by him or in respect of which he is acting as proxy and he may vote one way by virtue of some of the shares and a different way by virtue of others.
- 9.12.9 A vote given by virtue of an Appointment Instrument shall be valid even if there is a defect in the Appointment Instrument and even if prior to the vote the appointer dies or becomes legally incapacitated or the Appointment Instrument is cancelled or the share in respect of which it was given is transferred, unless written notice is received at the office prior to the meeting regarding the defect, death, incapacitation, cancellation or transfer, as the case may be
- 9.12.10 The Appointment Instrument shall also be valid in respect of any adjourned meeting of the meeting to which the Appointment Instrument relates, unless otherwise stated in the appointment instrument.
- 9.12.11 A shareholder may not participate in or vote at any General Meeting, himself or by proxy, save by virtue of the shares the consideration for which has been fully paid to the Company.
- 9.12.12 Each of the ordinary shares vests the holder thereof with the right to participate in the Company's General Meeting and to one vote.
- 9.12.13 A resolution put to the vote at a General Meeting shall be decided on a poll; the vote on a poll shall be affected in the manner determined therefor by the meeting's chairman. In the event of disputes whether to accept or disqualify any vote, the meeting's chairman shall decide the matter, and his decision in good faith shall be final and binding.
- 9.12.14 Subject to these Articles and the Law or these Articles regarding another majority, the General Meeting's resolutions shall be passed by a simple majority.
- 9.12.15 The General Meeting's chairman may, with the consent of the meeting at which a quorum is present, adjourn the meeting or adjourn the discussion or the passing of a resolution on a particular matter on the agenda to another time and at a place determined by the meeting; and the General Meeting's chairman shall be compelled so to do at the meeting's demand. No matter shall be discussed at an adjourned meeting save for a matter that was on the agenda and in respect of which a resolution was not passed at the meeting at which the adjournment was decided upon.

10. DIRECTORS

- 10.1 The Directors shall be elected by Resolution of Shareholders or by Resolution of Directors.

- 10.2 Subject to Regulation 10.1, no person shall be appointed as a director of the Company unless the following is disclosed to the Directors of the Company if appointment is to take place by way of Resolution of Directors or the Shareholders of the Company if the appointment shall take place by way of Resolution of Shareholders in the form of a written declaration (the **"Declaration"**): (i) whether the Person has been convicted by a Judgment of an offense stated in Regulation 10.2(a) where the period has not yet passed in which the person is prevented from being appointed as a director under Regulation 10.2(a); (ii) whether the Person has been convicted by a Judgment of an offense as stated in Regulation 10.2(b), where the period determined by the court under the same Regulation 10.2(b) has not yet passed; (iii) whether the Administrative Enforcement Committee imposed Enforcement Measures which prohibits the Person from serving as a director of any Public Company or any Private Company which is a Debentures Company and the period determined by the Administrative Enforcement Committee as stated has not yet passed under Regulation 10.2(c). The Declaration shall be kept at the registered office of the Company.
- (a) A person convicted by a Judgment of one of the following offenses shall not hold office as a director in the Company unless five years have passed since the date on which the Judgment by which he was convicted was given: (i) Offenses of: (1) bribery, (2) theft of company property by a manager of the company, (3) obtaining anything by deceit, (4) forgery, (5) use of a forged document, (6) inducement by deceit, (7) false registration in documents of a company, (8) offenses by managers or employees of a company, (9) failure to disclose information and misleading publication by an officer of a company, (10) deceit and breach of trust in a company, (11) deceitful concealment (12) blackmail with use of force, (13) blackmail by threats, (14) use of information by an insider, (15) use of inside information the source of which is an insider, (16) offer and sale of securities to the public in Israel not in accordance to a prospectus or a draft prospectus, (17) causing a misleading item to be included in a draft prospectus or in a prospectus, (18) causing a misleading item to be included in information presented at a meeting of the company's employees, (19) issuing an opinion, report or certification which is subsequently included or referred to in a prospectus, report, notice or purchase offer specification, knowing that the opinion, report or certification contained a misleading item, (20) causing a report, notice, registration document or purchase offer specification, submitted to Israel Securities Authority or TASE to contain a misleading item, (21) including a misleading item in one of its reports, publications or in other information provided by it (22) fraud in connection with securities; or (ii) Conviction by a court anywhere in the world of the offenses of bribery, deceit, offenses by managers of a corporate body or offenses involving misuse of inside information.
- (b) A person convicted by a Judgment which is not listed in Regulation 10.2 above shall not hold office as a director in the Company, if a court has determined that by virtue of the substance, severity or circumstances, the Person is not permitted to serve as a director of a Public Company or a Private Company which is a Debentures Company for a period determined by the court which shall not exceed five years from the date on which the Judgment was given.
- (c) Where the Administrative Enforcement Committee has imposed a means of enforcement on a Person preventing the said Person from serving as a director of a Public Company or a Private Company which is a Debentures Company, the same person shall not be appointed as director of the Company in which the person is prohibited from serving as a director based on the same decision.

- 10.3 The minimum number of Directors shall be two (2). Until full repayment of the outstanding balance of the G Bonds (including principal, interest and any other payment due under the trust agreement of the G Bonds), the Board shall include at least: (i) two (2) External Directors; and (ii) one (1) Non-External Independent Director (as defined in the Articles) in addition to the two (2) External Directors.
- 10.4 Each Director holds office for the term, if any, fixed by the resolution appointing him, or until his earlier death, resignation or removal save for External Directors and Non-External Independent Directors whose term in office is outlined in Regulation 11.9 and 1.1 respectively. If no term is fixed on the appointment of a Director, the Director serves indefinitely until his earlier death, resignation or removal.
- 10.5 No Person shall be appointed as a Director of the Company unless he has consented in writing to act as a Director.
- 10.6 Notwithstanding anything in these Articles or in any agreement between the Company and any Director, the Company may by a Resolution of the Shareholders, of which special notice has been given in accordance with section 136 of the Law, remove any director. Such removal shall be without prejudice to any claim such Director may have for damages for breach of any contract of service between him and the Company.
- 10.7 If the Company becomes aware that a Director was appointed contrary to the provisions of Regulations 10.2(a), or that a Director has breached the provisions of Regulations 9.3 or 10.8, the Shareholders shall terminate the office of such Director in the manner described in Regulation 10.6 above, if it finds that the said conditions are fulfilled, and such office shall expire on the date of such resolution. Additional requirements for the removal of an External Director are outlined in Regulation 11.
- 10.8 If after his appointment as a director of the Company, a Director has been convicted of an offense provided in Regulations (a) or 10.2(b), the Person shall inform the Company as soon as is reasonably practicable and the Person's office shall be terminated by the Directors or Shareholders of the Company in accordance with Regulation 10.6, and it shall not be possible to reappoint the said person as a Director unless the time period during which the Person is prohibited from serving as a Director, as provided in Regulation (a), has passed.
- 10.9 Subject to the provisions of the Law, if after his appointment as a director of the Company, the Administrative Enforcement Committee has resolved to impose means of enforcement on a Person preventing the Person from being appointed as a director in any Public Company, any Private Company which is a Debentures Company or in the company in which the person is appointed as provided in Regulation 10.2(c), the said Person shall notify the Company as soon as is reasonably practicable thereof and the Person's office shall be terminated by the Shareholders of the Company in accordance with Regulation 10.6, and the Person will not be permitted to be reappointed as a Director in the Company in which the said prohibition applies, unless the prohibition period as stated by the Administrative Enforcement Committee has passed.
- 10.10 Subject to the provisions of the Law, a Director may resign his office by giving written notice of his resignation to the Company and the resignation has effect from the date the notice is received by the Company from such later date as may be specified in the notice. In addition to the requirements outlined in Regulations 10.3, 10.8-10.10, a Director shall resign forthwith as a Director if he is, or becomes, disqualified from acting as a Director under the Law and the Articles.

- 10.11 Subject to the provisions of the Law, Directors may at any time appoint any Person to be a Director either to fill a vacancy or as an addition to the existing Directors. Where the Directors appoint a Person as Director to fill a vacancy, the term shall not exceed the term that remained when the Person who has ceased to be a Director ceased to hold office.
- 10.12 A vacancy in relation to Directors occurs if a Director dies or otherwise ceases to hold office prior to the expiration of his term of office.
- 10.13 The Company shall keep a register of Directors containing: (i) the names, addresses, nationality, occupation, details of other directorships of the persons who are Directors of the Company; (ii) the date on which each person whose name is entered in the register was appointed as a Director of the Company; (iii) the date on which each person named as a Director ceased to be a Director of the Company; and (iv) such other information as may be prescribed by the Law.
- 10.14 The register of Directors may be kept in any such form as the Directors may approve, but if it is in magnetic, electronic or other data storage form, the Company must be able to produce legible evidence of its contents. Until a Resolution of Directors determining otherwise is passed, the magnetic, electronic or other data storage shall be the original register of Directors.
- 10.15 A Director is not required to hold a Share as a qualification to office.

11. EXTERNAL DIRECTORS

- 11.1 If on the date of appointment of an External Director, all members of the Board of Directors of the Company which are not Controlling Shareholders or Relatives thereof are of one gender, the External Director appointed shall be of the other gender.
- 11.2 The first External Directors shall be appointed no later than three (3) months from the date in which the Company became a Public Company.
- 11.3 An External Director will be appointed by Resolution of Shareholders only after the date on which the said nominee has provided a written declaration in accordance with Regulation and the Audit Committee has confirmed that all of the conditions stated in Regulations 11.4, 13.5 and 13.6 have been met.
- 11.4 Only an individual who is a resident of Israel¹ and who is qualified for appointment as a director (in accordance to Regulations 10.2(a) above) shall be appointed as an External Director and that individual shall either possess Professional Qualifications or Accounting and Financial Expertise. At least one of the External Directors shall possess Accounting and Financial Expertise.
- 11.5 The following individuals shall not be appointed as an External Director of the Company: (i) An individual may not be appointed as an External Director where the individual himself, or whose Relative, partner, employer, person who he is directly or indirectly subject to or a corporation in which he has Control, has a Connection with the Company or with a Controlling Shareholder of the Company or a Relative thereof on the date of appointment or during the two (2) years prior thereto, or to Other Body Corporate, and for a corporation which does not have a Controlling Shareholder or a person holding a Control Block - any Connection to a Person who is, on the date of appointment, the

¹ The ISA may exempt the company from the demand to Israeli residence.

chairman of the Board of Directors of the Company , the general manager, the president, a Substantial Shareholder or the most senior financial Officer; (ii) An individual may not be appointed as an External Director if the said individual's other position or business does or may give rise to a conflict of interest with the role of director of the Company , or if this might harm the individual's ability to act as a Director; (iii) A director of a company shall not be appointed as an External Director of another company if at such time, a director of the other company is acting as an External Director of the Company; (iv) An individual shall not be appointed as an External Director if the said individual is an employee of ISA or TASE.

- 11.6 Without derogating from the provisions of Regulation 11.5 above, an individual shall not be appointed as an External Director where the individual himself, or whose Relative, partner, employer, person who he is directly or indirectly subject to or a corporation in which he has Control, has business or professional relationship to a Person which is prohibited from having a connection thereto under the provisions of Regulation 11.5 above, even if such relationships are not general, with the exception of negligible Connections, and an individual who has received consideration in violation with the provisions of Regulation 11.8. Where the said relationship exists or where consideration, as stated, was received during the tenure of the External Director, the foregoing shall be considered, for the purpose of Regulations 11.11-11.14 to be a breach of one of the conditions required for the appointment or tenure as an External Director.
- 11.7 On each and every committee authorized to exercise any of the powers of the Board of Directors (in so far as the Law or these Articles permit) at least one External Director shall serve.
- 11.8 An External Director is entitled to remuneration and to a refund of expenses. An External Director shall not receive, in addition to the remuneration to which he is entitled and refund of expenses, any other consideration, directly or indirectly, for acting as a director of the Company. For the purposes of this Regulation, consideration shall not include the grant of an exemption, an undertaking to indemnify, indemnification or insurance.
- 11.9 The term of office of an External Director shall be three (3) years, and the Company may, notwithstanding the provisions of Regulation 11.5 above, appoint the External Director for two (2) additional terms of three (3) years each.
- 11.10 An External Director shall only be dismissed and his tenure shall only expire in accordance with the provisions of Regulations 11.11-11.14 furthermore and the Israeli court may, on the request of the Company, a Director, Shareholder or creditor, order the termination of the tenure of an External Director if it has found that one of the following prevails: (1) the External Director is permanently unable to fulfill his function; (2)during the term of his tenure he was found guilty in a court outside Israel of offenses referred to in Regulation(a);
- 11.11 Subject to the Law, an External Director to which the conditions required by Regulations 11.3-11.6 to serve as an External Director no longer apply shall immediately notify the Company thereof, and his tenure shall be terminated by the Shareholders of the Company in accordance with Regulation 10.6.
- 11.12 Where the Board of Directors becomes aware that there is a suspicion that an External Director no longer complies with one of the conditions required under Regulations 10.3-10.6 above for appointment as an External Director, or that there is a suspicion that the Director has breached a fiduciary duty to the Company, the Board of Directors or

Shareholders shall discuss such matter at the first meeting to be convened after becoming so aware.

- 11.13 Where the Board of Directors or Shareholders finds, after giving the External Director a reasonable opportunity to present his position, that the External Director no longer complies with one of the conditions required under Regulations 11.3-11.6 for his appointment or that he has breached a fiduciary duty, the Board of Directors or Shareholders shall convene a meeting to terminate the tenure of the External Director in accordance with Regulation 10.6.
- 11.14 The Israeli court may, on the request of either a Director or a Shareholder, instruct for termination of the tenure of an External Director if it has found that the External Director no longer fulfills one of the conditions required under Regulations 11.3-11.6 for his appointment as an External Director or that he has breached a fiduciary duty to the Company.
- 11.15 Where the position of External Director becomes vacant and there are no longer two (2) External Directors serving in the Company, the Board of Directors shall convene a Special General Meeting, for the earliest date possible, on the agenda of which shall be the appointment of External Director.
- 11.16 The Company, Controlling Shareholder therein and a company controlled thereby shall not grant an individual appointed as an External Director of the same company, the person's spouse or child with any benefit, directly or indirectly, and shall not appoint the said person, the spouse of child thereof as an Officer of the Company or a company under the Control of a Holder of Control therein, shall not hire such person as an employee and shall not receive professional services from such person in return for payment, whether directly or indirectly, including by way of a corporate body controlled by such person, unless two years have elapsed from the termination of his tenure as External Director of such company, and regarding a Relative who is not a spouse or child - one year from the termination of his tenure as External Director.

12. POWERS OF DIRECTORS

- 12.1 Subject to Regulation 19 and 20, the business and affairs of the Company shall be managed by, or under the direction or supervision of, the Directors of the Company. The Directors of the Company have all the powers necessary for managing, and for directing and supervising, the business and affairs of the Company. The Directors may pay all expenses incurred preliminary to and in connection with the incorporation of the Company and may exercise all such powers of the Company as are not by the Law or by the Memorandum or the Articles required to be exercised by the Shareholders.
- 12.2 Each Director shall exercise his powers for a proper purpose and shall not act or agree to the Company acting in a manner that contravenes the Memorandum, the Articles or the Law. Each Director, in exercising his powers or performing his duties, shall act honestly and in good faith in what the Director believes to be the best interests of the Company.
- 12.3 Any Director which is another body corporate may appoint any individual as its duly authorized representative for the purpose of representing it at meetings of the Directors, with respect to the signing of consents or otherwise.
- 12.4 The continuing Directors may act notwithstanding any vacancy in their body.

- 12.5 Subject to Regulation 19 and 20, the Directors may by Resolution of Directors exercise all the powers of the Company to incur indebtedness, liabilities or obligations and to secure indebtedness, liabilities or obligations whether of the Company or of any third party.
- 12.6 Subject to Regulation 19 and 20, all cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as shall from time to time be determined by Resolution of Directors.

13. PROCEEDINGS OF DIRECTORS

- 13.1 Any one Director of the Company may call a meeting of the Directors by sending a written notice to each other Director.
- 13.2 The Directors of the Company or any committee thereof may meet at such times and in such manner and places within or outside Cyprus as the Directors may determine to be necessary or desirable.
- 13.3 A Director is deemed to be present at a meeting of Directors if he participates by telephone or other electronic means and all Directors participating in the meeting are able to hear each other.
- 13.4 A Director shall be given not less than 3 days' notice of meetings of Directors, but a meeting of Directors held without 3 days' notice having been given to all Directors shall be valid if all the Directors entitled to vote at the meeting who do not attend waive notice of the meeting, and for this purpose the presence of a Director at a meeting shall constitute waiver by that Director. The inadvertent failure to give notice of a meeting to a Director, or the fact that a Director has not received the notice, does not invalidate the meeting.
- 13.5 A Director may by a written instrument appoint an alternate who need not be a Director and the alternate shall during such period be entitled to attend and vote in any meeting of the Board of Directors and he shall generally have and exercise all rights, powers and duties of the Director appointing him. If an alternate is already a Director, he shall have a separate vote, as alternate director and shall be counted separately for the purposes of constituting a quorum.
- 13.6 A meeting of Directors is duly constituted for all purposes if at the commencement of the meeting there are present in person or by alternate not less than one-half of the total number of Directors.
- 13.7 At meetings of Directors at which the Chairman of the Board is present, he shall preside as chairman of the meeting. If there is no Chairman of the Board or if the Chairman of the Board is not present, the Directors present shall choose one of their number to be chairman of the meeting.
- 13.8 An action that may be taken by the Directors or a committee of Directors at a meeting may also be taken by a Resolution of Directors or a Resolution of a committee of Directors consented to in writing by all Directors or by all members of the committee, as the case may be, without the need for any notice. The consent may be in the form of counterparts each counterpart being signed by one or more Directors. If the consent is in one or more counterparts, and the counterparts bear different dates, then the resolution shall take effect on the date upon which the last Director has consented to the resolution by signed counterparts.

14. COMMITTEES

- 14.1 The Directors may by resolution designate one or more committees, each consisting of one or more Directors, and delegate one or more of their powers, including the power to affix the Seal, to the committee.
- 14.2 The Directors have no power to delegate to a committee of Directors any of the following powers: (i) to designate committees of Directors; (ii) to delegate powers to a Committee of Directors; (iii) to appoint Directors; (iv) to approve a plan of merger, consolidation or arrangement; or (v) to make a declaration of solvency or to approve a liquidation Plan.
- 14.3 Regulations 16.1(b) and 16.1(c) do not prevent a committee of Directors, where authorized by the Resolution of Directors appointing such committee or by a subsequent Resolution of Directors, from appointing a sub-committee and delegating powers exercisable by the committee to the sub-committee.
- 14.4 The meetings and proceedings of each committee of Directors consisting of 2 or more Directors shall be governed *mutatis mutandis* by the provisions of the Articles regulating the proceedings of Directors so far as the same are not superseded by any provisions in the Resolution of Directors establishing the committee.
- 14.5 Subject to the Law, where the Directors delegate their powers to a committee of Directors they remain responsible for the exercise of that power by the committee, unless they believed on reasonable grounds at all times before the exercise of the power that the committee would exercise the power in conformity with the duties imposed on Directors of the Company under the Law.

15. AUDIT COMMITTEE

- 15.1 The Board of Directors shall by a Resolution of Directors appoint an Audit Committee.
- 15.2 There shall be not less than three (3) members of the Audit Committee. The members of the Audit Committee shall be chosen from Board of Directors and shall at all times comprise of all appointed External Directors. The majority of Audit Committee members shall be either External Directors or Non-External Independent Directors.
- 15.3 A meeting of the Audit Committee is duly constituted for all purposes if at the commencement of the meeting there are present in person a majority of the members of the Audit Committee save that majority present are either External Directors or Non-External Independent Directors and at least one External Director is present.
- 15.4 The following shall not be members of the Audit Committee: (i) the chairman of the Board of Directors; (ii) any director employed by the Company or employed by a Holder of Control thereof or by a corporation under the Control of such a Holder of Control; (iii) a Director providing services on a permanent basis to the Company, (iv) a holder of control thereof or to a corporation under the control of the said Holder of Control and a Director whose main income relies on a Holder of Control; or (v) a Holder of Control or Relative of such Person.
- 15.5 The chairman of the Audit Committee shall be an External Director.
- 15.6 A Person who is not permitted to be a member of the Audit Committee shall not be present at committee meetings during discussions and decision making, unless the chairman of the Audit Committee determines that the Person is required for the presentation of a certain matter. However, an employee of the Company who is not a Controlling

Shareholder or Relative thereof may be present at the Audit Committee meetings during discussions, provided that the resolution is passed in the said person's absence.

- 15.7 Without derogating from Regulation 15.6, the legal advisor and Company Secretary may be present during the discussion and during decision-making, if so requested by the Audit Committee.
- 15.8 The Internal Auditor of the Company shall receive notices of meetings of the Audit Committee and shall be entitled to participate therein. The Internal Auditor may request that the chairman of the Audit Committee convene the committee to discuss such matters as he may specify in a request, and the chairman of the Audit Committee shall convene the a meeting of the Audit Committee within a reasonable time from the date of the request. A notice of a meeting of the Audit Committee at which a matter relating to the audit of financial reports is to be dealt with shall be sent to the External Auditor, who may participate in the meeting.
- 15.9 The functions of the Audit Committee shall be as follows: (i) to locate defects in the Company's business administration, *inter alia*, by consulting with the Company's Internal Auditor or with the External Auditor, and to make proposals to the Board of Directors and provide recommendations to correct such defects. Where the Audit Committee has identified a defect as a material defect, at least one meeting will take place regarding the defect in question, in the presence of the Internal Auditor or the External Auditor, as applicable, in the absence of the Company Officers who are not committee members. Notwithstanding the aforementioned, an Officer may be present for the presentation of a position in a matter that the said Officer is responsible for; (ii) to determine, based on detailed reasons, regarding actions as stated in Regulation 18.6, whether they are material or immaterial actions and regarding Transactions as stated in Regulation 18.6 if they are or are not Extraordinary Transactions for the purpose of their approval under these Regulations, and the Audit Committee may decide as stated regarding a type of action or Transaction, based on a standard determined annually in advance; (iii) to decide whether to approve actions and Transactions requiring the approval of the Audit Committee under Regulations 18.6 and 21.1 herewith; (iv) to review the work plan of the Internal Auditor prior to its submission for approval of the Board of Directors and to propose changes thereto; (v) to review the internal audit system in the Company and the role of the Internal Auditor and whether the resources and tools necessary to fulfill its functions are available to the internal auditor, considering, *inter alia*, the special requirements and size of the Company; (vi) to review the work scope of the External Auditor and the salary thereof, and to provide its recommendations to those who determine its salary; and (vii) to determine the manners with which complaints of Company employees are handled in connection with faults in managing its business and regarding the defense to be given to employees who have complained as stated.

16. REMUNERATION COMMITTEE

- 16.1 There shall be not less than three (3) Persons on the Remuneration Committee. The members of the Remuneration Committee shall be chosen from Board of Directors and shall at all times comprise of all appointed External Directors. The majority of members of the Remuneration Committee shall be External Directors and the rest of the members shall be Directors whose terms of tenure and employment are pursuant to the provisions set forth under Regulation 10.8.
- 16.2 The chairman of the Remuneration Committee shall be an External Director.

- 16.3 The provisions of Regulations 15.4-15.7 shall apply to the Remuneration Committee, *mutatis mutandis*.
- 16.4 The duties of the Remuneration Committee are: (i) to provide a recommendation to the Board of Directors regarding the Remuneration Policy for Officers, as defined in Regulation 21.1, and to provide a recommendation thereto, every three years, regarding the approval of the continued validity of the Remuneration Policy determined for a period exceeding three years, as provided in Regulation 22.2; (ii) to provide a recommendation to the Board of Directors regarding the update, from time to time, of the Remuneration Policy and to review the implementation thereof; (iii) to determine whether to approve Transactions regarding the terms of tenure and employment of Officers requiring the approval of the Remuneration Committee under Regulations 19.1, 21.5 and 21.9;

17. OFFICERS AND AGENTS

- 17.1 The Company may by Resolution of Directors appoint Officers of the Company at such times as may be considered necessary or expedient. Such Officers may consist of a Chairman of the Board of Directors, a president and one or more vice-presidents, secretaries and treasurers and such other Officers as may from time to time be considered necessary or expedient. Any number of offices may be held by the same person.
- 17.2 Regulations (a) and 10.7-10.9 shall apply, *mutatis mutandis*, in regards to Officers that are not Directors.
- 17.3 The general manger or a Relative of the president may only serve as chairman of the Board of Directors in accordance with the provisions of Regulation 17.4. A person directly or indirectly subordinate to the president may not be appointed as Chairman of the Board of Directors. A director of a corporation under the Control of the Company may be appointed as Chairman of the Board of Directors of the Company.
- 17.4 The Chairman of the Board of Directors of the Company or a Relative thereof shall only be granted the powers of the general manger in accordance with the provisions of Regulation 17.5 below.
- 17.5 Notwithstanding the provisions of Regulation 17.4 above, the General Meeting may resolve that for a period of no more than three (3) years from the date of passing the resolution to such effect, the Chairman of the Board of Directors may be authorized to fulfill the role of general manager, or to exercise the powers of the general manager, provided that in counting the votes at the General Meeting, the majority shall include at least two-thirds (2/3) of the Shareholders who are not Holders of Control in the Company or their representatives present at the vote; abstaining votes shall not be taken into account in counting the votes of the said shareholders; provided that a prior consent thereto is granted by the Audit Committee and the Board.
- 17.6 The Officers shall perform such duties as are prescribed at the time of their appointment subject to any modification in such duties as may be prescribed thereafter by Resolution of Directors. In the absence of any specific prescription of duties it shall be the responsibility of the Chairman of the Board to preside at meetings of Directors and Shareholders, the president to manage the day to day affairs of the Company, the vice-presidents to act in order of seniority in the absence of the president but otherwise to perform such duties as may be delegated to them by the president, the secretaries to maintain the register of members, minute books and records (other than financial records) of the Company and to ensure compliance with all procedural requirements

imposed on the Company by applicable law, and the treasurer to be responsible for the financial affairs of the Company.

- 17.7 The emoluments of all Officers shall be fixed in accordance to the provisions of Regulations 21.6-21.12.
- 17.8 The Officers of the Company shall hold office until their successors are duly appointed, but any Officer elected or appointed by the Directors may be removed at any time, with or without cause, by Resolution of Shareholders in accordance with Regulation 10.6, including in accordance to Regulations 10.7-10.9 above which shall apply, mutatis mutandis. Any vacancy occurring in any office of the Company may be filled by Resolution of Directors.
- 17.9 The Directors may, by a Resolution of Directors, appoint any person, including a person who is a Director, to be an agent of the Company. An agent of the Company shall have such powers and authority of the Directors, including the power and authority to affix the Seal, as are set forth in the Articles or in the Resolution of Directors appointing the agent, except that no agent has any power or authority with respect to the matters specified in Regulation 17.6. The Resolution of Directors appointing an agent may authorise the agent to appoint one or more substitutes or delegates to exercise some or all of the powers conferred on the agent by the Company. The Directors may remove an agent appointed by the Company and may revoke or vary a power conferred on him.
- 17.10 The Board of Directors may from time to time and at any time by power of attorney appoint any person, company, firm or body of persons, whether nominated directly or indirectly by the directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit and may also authorize any such attorney to delegate all or any of the powers, authorities and discretions vested in him.

18. CONFLICT OF INTERESTS

- 18.1 Subject to section 191 of the Law, a director of the Company shall, forthwith after becoming aware of the fact that he is interested in a Transaction entered into or to be entered into by the Company, disclose the interest to all other Directors of the Company.
- 18.2 For the purposes of Regulation 18.1, a disclosure to all other Directors to the effect that a Director is a member, director or officer of another named company or has a fiduciary relationship with respect to the company or a named individual and is to be regarded as interested in any Transaction which may, after the date of the entry or disclosure, be entered into with that company or individual, is a sufficient disclosure of interest in relation to that Transaction.
- 18.3 A Director or Officer of the Company in exercising his powers or performing his duties shall act honestly and in good faith and in what the Director or Officer believes to be in the best interest of the Company and shall act with the standard of proficiency with which a reasonable Director or Officer would act in the same position and in the same circumstances, taking into account but without limitation, the nature of the Company, the nature of the decision, the position of the Director or Officer and the nature of the responsibilities undertaken including taking reasonable steps, in consideration of the circumstances of the case, to obtain information relating to the commercial feasibility of

an act submitted for his approval or of an act performed by him by virtue of his position, and to obtain all other significant information regarding such acts.

- 18.4 The appointment of a director of the Company with Accounting and Financial Expertise or some other professional Qualification shall not change the liability applicable thereto and to the other Directors of the Company by virtue of any law.
- 18.5 A Director and Officer shall owe a fiduciary duty to the Company and shall act in good faith and for the benefit of the Company, and: (i) shall refrain from any act involving a conflict of interest between the fulfillment of his role in the Company and the fulfillment of any other role or his own personal affairs; (ii) shall refrain from any act involving competition with the business of the Company; (iii) shall refrain from taking advantage of a business opportunity of the Company in order to obtain a benefit for himself or for another; (iv) shall disclose all information to the Company and shall provide it with all documents relating to its interest that reach him by virtue of his position with the Company.
- 18.6 Subject to the Law, the Company may by Resolution of Directors approve any of the acts listed in Regulation 18.5, provided that all the following conditions apply: (i) The Director or Officer is acting in good faith and neither the act nor the approval of the act prejudices the good of the Company; (ii) The Director or Officer has disclosed the essence of his personal interest in the act, including any substantial fact or document to the all members of the Board of Directors, a reasonable time before the date for discussion of the approval; (iii) The Company's approval for acts that are substantial acts shall be given in accordance with the provisions of Regulations 19.1-19.4 herewith regarding the approval of Extraordinary Transactions. The provisions of Regulations 21.3-18.5 herewith regarding the validity of transactions shall apply, *mutatis mutandis*, to the validity of acts.

19. TRANSACTIONS WITH CONTROLLING SHAREHOLDERS

- 19.1 An Extraordinary Transaction of the Company with a holder of Control therein, or an Extraordinary Transaction of the Company with another Person that a holder of Control has a Personal Interest in, as well as the engagement of such a company with a holder of Control therein or with a Relative thereof, directly or indirectly, including through a company under his control, regarding the receipt of services by the Company, and if he is an Officer therein - regarding the terms of his office and employment, and if he is an employee of the Company and not an Officer thereof - regarding his employment in the Company, requires the approval of the Audit Committee (and in a Transaction regarding the terms of tenure and employment - the Remuneration Committee) followed by approval of the Board of Directors by a Resolution of Directors and Shareholders by way of a Resolution of Shareholders.
- 19.2 Approval of the Remuneration Committee and approval of the Board of Directors and Shareholders as stated in Regulation 19.1 above, in a Transaction regarding terms of tenure and employment shall be pursuant to the Remuneration Policy. The Remuneration Committee and thereafter the Board of Directors and Shareholders may, in unique circumstances, approve the transaction other than pursuant to the said policy, provided that the provisions of Regulation 21.8 apply. The provisions of this Regulation shall not derogate from the provisions of Regulation 19.1.
- 19.3 The approval of the Audit Committee or the Remuneration Committee, as applicable and the Board of Directors and Shareholders under the provisions of Regulation 18.1 above, shall be given after the Audit Committee and/or the Remuneration Committee, as applicable and the Board of Directors and Shareholder review, *inter alia*, whether the

Transaction includes a Distribution. Where the Audit Committee or the Remuneration Committee, as applicable or the Board of Directors has determined that a Transaction includes a Distribution, the Transaction shall only be approved after it is confirmed, for this matter, that the provisions of all laws regarding Distributions are upheld. Where the Audit Committee or the Remuneration Committee, as applicable and the Board of Directors and - in a Transaction regarding terms of tenure and employment - Shareholders have determined that a Transaction requiring approval under Regulation 18.1 above, does not include a Distribution, then the foregoing shall examine whether there exists a reasonable concern that the Transaction will prejudice the Company from the ability to meet its existing and expected obligations, when due. Where Audit Committee or the Remuneration Committee, as applicable or the Board of Directors and in a Transaction regarding terms of tenure and employment - Shareholders have determined that such a concern exists, the Transaction shall not be approved.

- 19.4 (a) An individual with a Personal Interest in the approval of a Transaction that is brought before the Audit Committee or the Board of Directors and Shareholders for approval shall not be present during the deliberations and shall not take part in the voting of the Audit Committee or of the Board of Directors. However, a Director or Officer with a Personal Interest may be present for the presentation of the Transaction if the chairman of the Audit Committee or the Chairman of the Board of Directors, as applicable, has determined that he is required for the presentation.
- (b) Notwithstanding the provisions of Regulation 18.4(a), a Director may be present at a deliberation of the Audit Committee and may take part in the voting if the majority of the members of the Audit Committee have a Personal Interest in the approval of the Transaction. A Director may be present at the deliberations of the Board of Directors and may take part in the voting if the majority of the Directors of the Company have a Personal Interest in the approval of the Transaction.
- (c) Where the majority of the Directors on the Board of Directors of a Company have a Personal Interest in the approval of a Transaction as aforesaid in Regulation 18.4(a), the Transaction shall also require the approval of Shareholders by way of a Resolution of Shareholders.
- 19.5 The Audit Committee shall not be permitted to grant an approval required under this Regulation 19, unless the provisions of Regulation 15 apply, at the time of the grant of the approval.
- 19.6 (a) A Transaction of the Company as stated in Sub-Regulation 19.1 with a holder of Control thereof shall not be valid in respect of the Company or the holder of Control (with respect to their relationship) if the Transaction was not approved in accordance with the provisions of this Regulation 19, or if a substantial defect occurred in the approval process, or if the Transaction was effected in a way that deviated substantially from the terms of the approval.
- 19.7 (b) Subject to the Law, a Transaction referred to in Regulation 19.4 shall likewise not be valid in respect of any other Person if such Person knew of the Personal Interest of the holder of Control in the approval of the Transaction, and knew or should have known of the lack of approval of such Transaction as required under this Regulation 19.

20. PRIVATE PLACEMENT

- 20.1 A Substantial Private Placement shall require the approval of the board of directors followed by the approval of the General Meeting.

21. REMUNERATION POLICY FOR OFFICERS AND APPROVAL OF TRANSACTIONS

- 21.1 The Board of Directors by a Resolution of Directors shall determine the Remuneration Policy after considering the recommendations of the Remuneration Committee submitted thereto under Regulation 16.4. The Remuneration Policy must be approved by the Shareholders by way of a Resolution of Shareholders.
- 21.2 A Remuneration Policy for a period exceeding three (3) years requires approval once every three (3) years. Approval pursuant to this Regulation shall be given in the manner with which the Remuneration Policy was determined under Regulation 21.1 above.
- 21.3 The Board of Directors will review, from time to time, the Remuneration Policy as well as the need to adapt it to the provisions of Regulation 21.5 below, if a material change applies to the circumstances previously existing when it was determined or for other reasons.
- 21.4 The Remuneration Policy will be determined, *inter alia*, based on the following considerations: (i) promoting the purposes of the Company, its work plan and its policies on a long-term basis; (ii) creating proper incentives for Officers of the Company, considering, *inter alia*, the risk management policy of the Company; (iii) the size of the Company and its manner of operation; (iv) regarding the terms of tenure and employment which include variable components - the contribution of the Officer in achieving the Company's targets and its profits, all on a long term basis and in accordance with the position of the Officer.
- 21.5 (A) The Remuneration Policy shall include, *inter alia*, reference to the following matters: (i) the education, skills, expertise, professional experience and achievements of the Officer; (ii) the function of the Officer, his scope of responsibility and previous salary agreements signed therewith; (iii) the relationship between the terms of tenure and employment of the Officer to the salary of other Company employees and of employees of contractors employed with the Company, specifically the relationship between the average salary and the median salary of employees as stated and the impact of the gaps between them on the work relationships in the Company; (iv) if the terms of tenure and employment include variable components - the option of reducing the variable components at the discretion of the Board of Directors, and the option of determining a ceiling of the exercise value of the capital variable components which are not paid in cash; (v) if the terms of tenure and employment included retirement grants - the term of tenure or employment of the Officer, the terms of his tenure and employment in this term, the performance of the company in the said term, the contribution of the Officer in achieving the company's targets and for maximizing its profits and the circumstances of retirement.
- (B) The Remuneration Policy will set forth, *inter alia*, the following provisions: (i) regarding variable components in the terms of tenure and employment: (a) the components shall be based on performance with a long-term perspective, based on measureable criteria. However, the Company may determine that an insubstantial part of the said components will be granted based on criteria that cannot be measured considering the Officer's contribution to the Company; and (b) the relationship between the variable components and the fixed components, and the ceiling for the value of variable components at the time of payment. However, regarding capital variable components which are not paid in cash - a ceiling of their value on the grant date; (ii) a condition according to which the Officer will

- return to the Company, under the terms determined in the Remuneration Policy, amounts paid thereto as part of the terms of tenure and employment, if paid thereto on the basis of data which was found to be mistaken and which was restated in the financial statement of the Company; (iii) the holding period or minimum vesting of the capital variable components in the terms of tenure and employment, with reference to appropriate incentives on a long term basis; (iv) the limit for Retirement Grants.
- 21.6 The following Transactions of the Company require approval as set out in Regulations 21.7-21.9 below, provided that the Transaction doesn't harm the best interests of the Company: (i) A Transaction of the Company with an Officer (who is not a Director) regarding the terms of his tenure and employment; (ii) A Transaction of the Company with a Director regarding the terms of his tenure and employment, regarding his office as a Director, and regarding his employment in other positions - if so employed;
- 21.7 A Transaction of the Company as detailed in Regulation 21.6(a) excluding a Transaction with the general manager or president of the Company as stated in Regulation 21.10, requires the approval of the Remuneration Committee and thereafter approval of the Board of Directors by way of a Resolution of Directors.
- 21.8 Approval of the Remuneration Committee and the Board of Directors shall be in accordance with the Remuneration Policy. The Remuneration Committee and thereafter the Board of Directors may, in unique cases, approve a Transaction as stated in the same paragraph which is not in accordance with the Remuneration Policy upon the occurrence of two of the following: (a) The Remuneration Committee and thereafter the Board of Directors have approved the Transaction, *inter alia*, based on the considerations listed in Regulation 21.4 above, while addressing the matters listed in Regulation 19.5(A) and provided that the Transaction, *inter alia*, includes the provisions as stated in Regulation 21.5(B); (b) The Shareholders by a Resolution of Shareholders have approved the Transaction.
- 21.9 A Transaction of the Company, with the general manager of the Company, for which the provisions of Regulation 21.6 above apply, requires the approval of the following, in the following order: (i) The Remuneration Committee; (ii) The Board of Directors; (iii) The Shareholders;
- 21.10 Approval of the Remuneration Committee and approval of the Board of Directors as stated in Regulation 21.11 shall be pursuant to the Remuneration Policy. However, the Remuneration Committee and thereafter the Board of Directors may, in unique circumstances, approve the Transaction in a manner different from the said policy, provided that the provisions of Regulations 21.10 are met.
- 21.11 Notwithstanding the provisions of Regulations 21.10 and 21.11, a Transaction of the Company, which complies with the provisions of Regulation 21.6 and is a change of an existing Transaction, shall be subject only to the approval of the Audit Committee or Remuneration Committee, as applicable, if the said committee has confirmed that the change in the terms of employment isn't material in comparison to the existing Transaction.
- 21.12 (a) A Transaction of the Company, which complies with the provisions of Regulation 21.6, requires the approval of the Remuneration Committee, followed by the approval of the Board of Directors by a Resolution of Directors and thereafter the approval of the Shareholders by a Resolution of Shareholders; (b) Approval of the Remuneration Committee and approval of the Board of Directors as stated in this Regulation 21.12, shall be pursuant to the Remuneration Policy, however, the Remuneration Committee and

thereafter the Board of Directors may, in unique circumstances, approve the Transaction other than pursuant to the said policy, provided that the provisions of Regulations 21.6 and 21.8) shall apply.

22. INDEMNIFICATION

- 22.1 Subject to the Law and the limitations hereinafter provided the Company shall indemnify against all expenses, including legal fees, and against all judgments, fines and amounts paid in settlement and reasonably incurred in connection with legal, administrative or investigative proceedings any person who: (i) is or was a party or is threatened to be made a party to any threatened, pending or completed proceedings, whether civil, criminal, administrative or investigative, by reason of the fact that the person is or was a Director of the Company; or (ii) is or was, at the request of the Company, serving as a Director of, or in any other capacity is or was acting for, another company or a partnership, joint venture, trust or other enterprise.
- 22.2 The indemnity in Regulation 22.1 only applies if the person acted honestly and in good faith with a view to the best interests of the Company and, in the case of criminal proceedings, the person had no reasonable cause to believe that their conduct was unlawful.
- 22.3 The decision of the Directors as to whether the person acted honestly and in good faith and with a view to the best interests of the Company and as to whether the person had no reasonable cause to believe that his conduct was unlawful is, in the absence of fraud, sufficient for the purposes of the Articles, unless a question of law is involved.
- 22.4 The termination of any proceedings by any judgment, order, settlement, conviction or the entering of a *nolle prosequi* does not, by itself, create a presumption that the person did not act honestly and in good faith and with a view to the best interests of the Company or that the person had reasonable cause to believe that his conduct was unlawful.
- 22.5 The Company may purchase and maintain insurance in relation to any person who is or was a Director, Officer or liquidator of the Company, or who at the request of the Company is or was serving as a Director, officer or liquidator of, or in any other capacity is or was acting for, another company or a partnership, joint venture, trust or other enterprise, against any liability asserted against the person and incurred by the person in that capacity, whether or not the Company has or would have had the power to indemnify the person against the liability as provided in the Articles.
- 22.6 Subject to Law and the provisions of Regulations 22.1-22.5 above, the Company shall indemnify and insure Officers of the Company with respect to payments they are required to pay as an Enforcement Measure to parties who were injured by a violation in accordance to the resolution of the Administrative Enforcement Committee, or with respect to a payment of expenses incurred in connection with an Administrative Enforcement proceeding that was conducted regarding such person's matter, including reasonable litigation expenses including attorney's fees, and including by way of an advance indemnification.

23. RECORDS

- 23.1 The Company shall keep the following documents at its registered offices: (i) the Memorandum and the Articles; (ii) the register of Shareholders, or a copy of the register of Shareholders; (iii) the register of Directors, or a copy of the register of Directors; and (iv)

copies of all notices and other documents filed by the Company with the Registrar of Corporate Affairs in the previous 10 years.

- 23.2 Until the Directors determine otherwise by Resolution of Directors the Company shall keep the original register of Shareholders and original register of Directors at its registered offices.
- 23.3 If the Company maintains only a copy of the register of Shareholders or a copy of the register of Directors at the registered office of the Company, it shall:
- 23.3.1 within 15 days of any change in either register, notify the secretary of the Company in writing of the change; and
 - 23.3.2 Provide the registered agent with a written record of the physical address of the place or places at which the original register of Shareholders or the original register of Directors is kept.
 - 23.3.3 The Company shall keep the following records at its registered office or at such other place or places, within or outside Cyprus, as the Directors may determine:
 - 23.3.4 minutes of meetings and Resolutions of Shareholders and classes of Shareholders;
 - 23.3.5 minutes of meetings and Resolutions of Directors and committees of Directors; and
 - 23.3.6 An impression of the Seal, if any.
- 23.4 Where any original records referred to in this Regulation are maintained other than at the registered office of the Company, and the place at which the original records is changed, the Company shall provide the secretary of the Company with the physical address of the new location of the records of the Company within 14 days of the change of location.
- 23.5 The records kept by the Company under this Regulation shall be in written form or either wholly or partly as electronic records.

24. REGISTER OF CHARGES

- 24.1 The Company shall maintain at the office of its registered agent a register of charges in which there shall be entered the following particulars regarding each mortgage, charge and other encumbrance created by the Company: (i) the date of creation of the charge; (ii) a short description of the liability secured by the charge; (iii) a short description of the property charged; (iv) the name and address of the trustee for the security or, if there is no such trustee, the name and address of the chargee; (v) unless the charge is a security to bearer, the name and address of the holder of the charge; and (vi) details of any prohibition or restriction contained in the instrument creating the charge on the power of the Company to create any future charge ranking in priority to or equally with the charge.

25. RIGHTS AND OBLIGATIONS OF SHAREHOLDERS

- 25.1 Subject to the Law, The rights and obligations of a shareholder shall be as laid down in the Articles or under the Law.
- 25.2 Shareholders shall have the right to inspect the following documents of the company:
- 25.2.1 Minutes of General Meetings;
 - 25.2.2 the register of shareholders and the register of substantial shareholders,;
 - 25.2.3 any document held by the Company, as provided in article 25.2.5 below;
 - 25.2.4 the Memorandum and Articles of the Company;
 - 25.2.5 Any document which the Company is required to file under this Law and under any law with the Companies Registry or ISA, available for public inspection at the Companies Registry or ISA, as the case may be.
- 25.3 Inspection of Company documents
- 25.3.1 A shareholder shall be entitled to require from the Company inspection of any document in its possession, indicating for what purpose, in any of the following instances:
- 25.3.1.1 the document relates to an act or transaction requiring the consent of the General Meeting as specified in Regulation 9.11.1(b);
 - 25.3.1.2 In a Private Company, if needed for passing a resolution regarding a matter that is on the agenda of the company's General Meeting.
- 25.4 Subject to the documents that the Law provides that a Shareholder is entitled to receive from the company, the Company may refuse the request of the Shareholder if in its opinion the request was not made in good faith or the documents requested contain a commercial secret or a patent, or disclosure of the documents could prejudice the good of the Company in some other way.

26. SEAL

- 26.1 The Seal of the Company shall only be used by the authority of the Directors and every instrument to which the seal shall be affixed shall be signed by one Director or alternate Director, or by the secretary or by some other person appointed by the Directors for this purpose.
- 26.2 The Company may have an official seal, in addition to the aforesaid common seal, which shall be as provided by s. 36(1) of the Law and for use as therein provided.

27. DISTRIBUTIONS BY WAY OF DIVIDEND

- 27.1 The Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board of Directors.
- 27.2 No dividend shall be paid otherwise than out of profits.
- 27.3 The Board of Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which

shall, at the discretion of the Board of Directors, be applicable for any purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board of Directors may from time to time think fit. The Board of Directors may also without placing the same to reserve carry forward any profits which they may think prudent not to divide.

- 27.4 Subject to the rights of persons, if any, entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but no amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date, or in case a unanimous decision of all the Shareholders of the Company to that effect is passed, such share shall rank for dividend accordingly.
- 27.5 The Board of Directors may deduct from any dividend payable to any Shareholder all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company and they may also deduct from any such dividends any other sums presently payable by him to the Company for any reason.
- 27.6 Any General Meeting declaring a dividend or bonus may direct payment of such dividend or bonus wholly or partly by the distribution of specific assets and in particular, but without prejudice to the generality of the foregoing, of paid up shares, debentures or debenture stock of any other Company or in any one or more of such ways, and the Directors shall give effect to such resolution, and where any difficulty arises in regard to such distribution, the Board of Directors may settle the same as they think expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any Shareholders upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Board of Directors.
- 27.7 Any dividend, interest or other moneys payable in cash in respect of Shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of Shareholders or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. Any one of two or more joint holders may give effectual receipts for any dividends, bonuses or other moneys payable in respect of the shares held by them as joint holders.
- 27.8 No dividend shall bear interest against the Company.

28. ACCOUNTS AND AUDIT

- 28.1 The Company shall keep records that are sufficient to show and explain the Company's transactions and that will, at any time, enable the financial position of the Company to be determined with reasonable accuracy.

- 28.2 The Company may by Resolution of Shareholders call for the Directors to prepare periodically and make available a profit and loss account and a balance sheet. The profit and loss account and balance sheet shall be drawn up so as to give respectively a true and fair view of the profit and loss of the Company for a financial period and a true and fair view of the assets and liabilities of the Company as at the end of a financial period.
- 28.3 The Company may by Resolution of Shareholders call for the accounts to be examined by auditors.
- 28.4 The auditors shall be appointed by the Shareholders, but no Director or other Officer shall be eligible to be an auditor of the Company during their continuance in office
- 28.5 The auditors shall examine each profit and loss account and balance sheet required to be laid before a meeting of the Shareholders or otherwise given to Shareholders and shall state in a written report whether or not:
- 28.6 (a) in their opinion the profit and loss account and balance sheet give a true and fair view respectively of the profit and loss for the period covered by the accounts, and of the assets and liabilities of the Company at the end of that period; and (b) all the information and explanations required by the auditors have been obtained.
- 28.7 The report of the auditors shall be annexed to the accounts and shall be read at the meeting of Shareholders at which the accounts are laid before the Company or shall be otherwise given to the Shareholders.
- 28.8 Every auditor of the Company shall have a right of access at all times to the books of account and vouchers of the Company, and shall be entitled to require from the Directors and Officers of the Company such information and explanations as he thinks necessary for the performance of the duties of the auditors.
- 28.9 The auditors of the Company shall be entitled to receive notice of, and to attend any meetings of Shareholders at which the Company's profit and loss account and balance sheet are to be presented.
- 28.10 The auditors of the Company shall be appointed and their duties regulated in accordance with section 153 to 156 (both inclusive) of the Law.

29. INTERNAL AUDITOR

- 29.1 As of the date in which the Company became a Public Company, the Board of Directors shall appoint an Internal Auditor; the Internal Auditor shall be appointed at the proposal of the Audit Committee. A Person who has an interest in the Company, who is an office holder in the Company, is a Director or is a Relative of any of the above, as well as the External Auditor or any person acting on his behalf shall not be appointed as Internal Auditor of the a Company.
- 29.2 The following provisions shall apply to the Internal Auditor, subject to the other provisions of this Regulation 29, and mutatis mutandis as the case may be:
- (a) No person shall be appointed and no person shall serve as Internal Auditor in the Company, unless all of the following are satisfied: (1) He is an individual; (2) He is an

Israeli resident² ; (3) He has not been convicted of an offense involving moral turpitude; (4) He holds an academic degree from an institute of higher education in Israel or an institute of higher education outside Israel which an institute of higher education in Israel has recognized to this end, or is an attorney-at-law or a certified public accountant (CPA); (5) He has acquired two years' experience in audit work, or has participated in professional training approved by a professional training committee consisting of a representative of the Israeli Institute of Internal Auditors, serving as the Chairman, the Inspector General at the Israeli Ministry of Economics and Planning, and a representative of an institute of higher education in Israel which carries out internal audit studies, prescribed by the Minister in consultation with all Israeli institutes carrying out such studies.

- (b) The Internal Auditor shall perform the internal audit in accordance with generally accepted professional standards.
- (c) The Internal Auditor shall not fulfill, in the Company at which he serves as auditor, another office apart from the internal audit, other than that of the public complaints commissioner or the Officer in charge of employee complaints, provided that the fulfillment of such other office does not adversely affect the fulfillment of his principal position.
- (d) The Internal Auditor shall not fulfill, other than in the Company at which he serves as auditor, any function creating or likely to create a conflict of interests with his function as Internal Auditor.
- (e) The Internal Auditor may demand and receive any document and any information in the possession of the Company, at which he serves as auditor or which is in the possession of any of its employees, and which, in the opinion of the Internal Auditor, is required for the fulfillment of his function. Any person required to deliver such document or information shall be duty bound to comply with such demand within such period and in such manner as designated in the requisition.
- (f) The Internal Auditor will have access, for the purpose of fulfilling his function, to any ordinary or automated information storage, any database and any work program of automated data processing of the Company at which he serves as auditor.
- (g) The Internal Auditor may enter into and examine any property of the Company at which he serves as auditor.
- (h) With respect to information which is confidential under law, the Internal Auditor and anyone authorized to receive the information, will be subject to the statutory limitations applicable to persons authorized to receive such information.
- (i) The Internal Auditor must keep confidential any document or information disclosed to him in connection with the fulfillment of his office, other than where disclosure is required for the fulfillment of his function as required under law or where such disclosure constitutes a statutory requirement.
- (j) Any power conferred under this section on the Internal Auditor and any duty imposed on him, shall also apply to his assistants and any person acting on his behalf.

² The ISA may exempt the company from the demand to Israeli residence.

- (k) Nothing provided in this Regulation shall derogate from the status, the functions and the powers vested in an Internal Auditor in a company in accordance with its documents of incorporation, articles of association or any other duly passed resolution thereof, nor shall same diminish the status, function or power so conferred, and all irrespective of whether or not they are specified in this Regulation.
 - (l) Nothing provided in this Regulation shall prevent a company, in its documents of incorporation, articles of association or in any other duly passed resolution thereof, from adding to the status, functions or powers conferred thereunder on an internal auditor, nor to extend any status, function or power so conferred, and all irrespective of whether or not they are specified in this Regulation.
- 29.3 The organizational supervisor of the Internal Auditor shall be the Chairman of the Board of Directors.
- 29.4 The Internal Auditor shall submit a proposal for an annual or periodic work program for the approval of the Board of Directors, and the Board of Directors by a Resolution of Directors shall approve it, with such amendments as they see fit.
- 29.5 The Chairman of the Board of Directors or the chairman of the Audit Committee may require the Internal Auditor to perform an internal audit, in addition to the work program, regarding matters requiring urgent examination.
- 29.6 The Internal Auditor shall examine, inter alia, the propriety of Company actions in terms of compliance with the applicable laws and proper business administration.
- 29.7 The Internal Auditor shall submit a findings report to the Chairman of the Board of Directors, to the general manager or president and to the chairman of the Audit Committee. A report relating to matters audited pursuant to Regulation 26.5 above, shall be provided to whoever charged the Internal Auditor with carrying out the audit.
- 29.8 The appointment of an Internal Auditor shall not be terminated without his consent, nor shall he be suspended from his position, unless the Board of Directors has so resolved after hearing the opinion of the Audit Committee, and after the Internal Auditor is given a reasonable opportunity to present his case to the Board of Directors and to the Audit Committee.
- 29.9 For the purposes of Regulation 29.8, the quorum required to open a meeting of the Board of Directors shall be no less than a majority of the members of the Board of Directors, notwithstanding the provisions of any other Regulation.

30. NOTICES

- 30.1 Any notice, information or written statement to be given by the Company to Shareholders may be given by personal service or by mail addressed to each Shareholder at the address shown in the register of Shareholders.
- 30.2 Any summons, notice, order, document, process, information or written statement to be served on the Company may be served by leaving it, or by sending it by registered mail addressed to the Company, at its registered office, or by leaving it with, or by sending it by registered mail to, the registered agent of the Company.

- 30.3 Service of any summons, notice, order, document, process, information or written statement to be served on the Company may be proved by showing that the summons, notice, order, document, process, information or written statement was delivered to the registered office or the registered agent of the Company or that it was mailed in such time as to admit to its being delivered to the registered office or the registered agent of the Company in the normal course of delivery within the period prescribed for service and was correctly addressed and the postage was prepaid.

31. VOLUNTARY WINDING UP AND DISSOLUTION

- 31.1 If the Company shall be wound up the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Law, divide amongst the Shareholders in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit, but so that no Shareholder shall be compelled to accept any shares or other securities whereon there is any liability.

32. CONTINUATION

- 32.1 The Company may by Resolution of Shareholders or by a resolution passed unanimously by all Directors of the Company continue as a company incorporated under the laws of a jurisdiction outside Cyprus in the manner provided under those laws.

33. FINANCIAL STATEMENT COMMITTEE AND AUDIT

- 33.1 The Board of Directors shall by resolution of directors appoint a Financial Statements Committee. The Financial Statements Committee discussed in its meetings and finalized a conclusion for the Board of Directors regarding all the following: (i) The evaluations and estimates made in connection with the financial statements; (ii) The internal controls relating to financial reporting; (iii) The wholeness and adequacy of disclosure in the financial statements; (iv) The accounting policy adopted and accounting treatment implemented in the Company's material matters; (v) Valuations, including the assumptions and estimates underlying them, on which data in the financial statements rely;
- 33.2 The Auditors will be invited to all the meetings of the Financial Statements Committee and the Internal Auditor will receive notices of the Committee's meetings and may participate thereat;
- 33.3 The Financial Statements Committee will have forwarded its recommendations regarding approval of the financial statements to the Board of Directors a reasonable time prior to the Board of Directors' discussion and reported to it of any defect or problem found during the review;
- 33.4 The Board of Directors discussed the recommendations of the Financial Statements Committee.

The Financial Statements Committee will meet all the following: (i) The number of its members will not be less than three (3) and they meet all the conditions prescribed in Article 15.2 above; (ii) The chairman of the Committee will be an External Director; (iii) All

its members are directors and the majority are Independent Directors; (iv) All its members have the ability to read and understand financial statements and at least one of the Independent Directors has Accounting and Financial Expertise; (v) The Committee's members gave a Statement prior to their appointment; (vi) The quorum for discussing and making decisions on the Committee will be the majority of its members provided however that the majority of the present are Independent Directors including at least one External Director.

“Statement”- one of the following: (i) The statement of a candidate for membership in the Financial Statements Committee based on his ability to read and understand financial statements; (ii) With respect of a candidate to serve as a director with Accounting and Financial Expertise in the Financial Statements Committee, a Declaration as prescribed in Article 10.2 above;

An audit committee which meets the conditions included in Article 15 may also serve as a Financial Statements Committee.

הצהרה מטעם מועמד לכהונת דירקטור בלתי תלוי

בהתאם לסעיפים 224א, 224ב וסעיפים 240-241 לחוק החברות, התשנ"ט-1999 ובהתאם לתקנות החברות (תנאים ומבחנים לדירקטור בעל מומחיות חשבונאית ופיננסית ולדירקטור בעל כשירות מקצועית), התשס"ו-2005;

<u>אני הח"מ,</u>	<u>אורן</u>	<u>שוקי יהושע</u>	<u>055625529</u>	<u>05/01/1959</u>	<u>ישראלית</u>
שם משפחה	שם פרטי	מס' תעודת זהות	תאריך לידה	אזרחות	

1. מצהיר בזאת לאמור (בהצהרה זו יהיו למונחים הבאים הפירושים אשר לצידם (אם לא משתמע אחרת):

"החברה"	MIRLAND DEVELOPMENT CORPORATION PLC
"החוק"	חוק החברות, התשנ"ט-1999.
"דירקטור בלתי תלוי"	דירקטור בלתי תלוי כמשמעו בחוק.
"החזקה"	בין לבד ובין ביחד עם אחרים, בין במישרין ובין בעקיפין, באמצעות נאמן, חברת נאמנות או חברה לרישומים או בכל דרך אחרת, כאשר רואים יחיד ובני משפחתו הגרים עמו, או שפרנסת האחד על האחר, כאדם אחד.
"החזקת ניירות ערך ביחד עם אחרים"	החזקת ניירות ערך בשיתוף פעולה בין שניים או יותר לפי הסכם, בין בכתב ובין בע"פ, כאמור בחוק ניירות ערך, התשכ"ח-1968 ("חוק ניירות ערך").
"נושא משרה"	מנהל כללי, מנהל עסקים ראשי, משנה למנהל כללי, סגן מנהל כללי, כל ממלא תפקיד כאמור בחברה אף אם תוארו שונה, וכן דירקטור או מנהל הכפוף במישרין למנהל הכללי.
"שליטה"	היכולת לכוון את פעילותו של תאגיד, למעט יכולת הנובעת רק ממילוי תפקיד של דירקטור או נושא משרה אחרת בתאגיד, וחזקה על אדם שהוא שולט בתאגיד אם הוא מחזיק מחצית או יותר מסוג מסוים של אמצעי השליטה בתאגיד.
"אמצעי השליטה"	כל אחד מאלה:
"בתאגיד"	(1) זכות ההצבעה באסיפה הכללית של חברה או של גוף מקביל בתאגיד אחר.
"תאגיד אחר"	(2) הזכות למנות דירקטורים של התאגיד או את מנהלו הכללי.
"תאגיד קשור"	תאגיד שבעל השליטה בו, במועד המינוי או בשנתיים שקדמו למועד המינוי, הוא החברה או בעל השליטה בה.
"חברה-אם"	חברה אם, חברה בת או חברה אחות.
"חברה-בת"	תאגיד המחזיק 50% או יותר מהערך הנקוב של הון המניות המונפק של החברה או מכוח ההצבעה בה או רשאי למנות מחצית או יותר מהדירקטורים או את המנהל הכללי שלה.
"חברה אחות"	תאגיד אשר החברה מחזיקה ב- 50% או יותר מהערך הנקוב של הון המניות המונפק שלו או מכוח ההצבעה שבו או רשאית למנות מחצית או יותר מהדירקטורים או את המנהל הכללי שלו.
"קרוב"	חברה בת של החברה האם.
"דירקטור בעל מומחיות חשבונאית"	בן זוג, אח או אחות, הורה, הורי הורה, צאצא או צאצא של בן הזוג או בן זוגו של כל אחד מאלה.
	מי שבשל השכלתו, ניסיונו וכישוריו הוא בעל מיומנות גבוהה והבנה בנושאים עסקיים - חשבונאיים ודו"חות כספיים באופן המאפשר לו להבין לעומקם את הדו"חות הכספיים של החברה ולעורר דיון בקשר לאופן הצגתם של הנתונים הכספיים. במכלול השיקולים יש להביא בחשבון את ההשכלה,

ופיננסית"

הניסיון והידיעות של המועמד בנושאים אלה :

1. סוגיות חשבונאיות וסוגיות בקרה חשבונאית האופייניות לענף שבו פועלת החברה ולחברות בסדר הגודל והמורכבות של החברה.

2. תפקידיו של רואה החשבון המבקר והחובות המוטלות עליו.

3. הכנת דו"חות כספיים ואישורם לפי חוק החברות ולפי חוק ניירות ערך.

מי שמתקיים בו אחד מהתנאים האלה :

"דירקטור בעל

כשירות מקצועית"

1. בעל תואר אקדמאי באחד מן המקצועות האלה : כלכלה, מינהל עסקים, ראיית חשבון, משפטים, מינהל ציבורי.

2. בעל תואר אקדמאי אחר או שהוא השלים לימודי השכלה גבוהה אחרת, הכל בתחום עיסוקה העיקרי של החברה או בתחום הרלוונטי לתפקיד.

3. בעל ניסיון של חמש שנים לפחות באחד מאלה, או שהוא בעל ניסיון מצטבר של חמש שנים לפחות בשניים או יותר מאלה :

א. בתפקיד בכיר בתחום הניהול העסקי של תאגיד בעל היקף עסקים משמעותי.

ב. בכהונה ציבורית בכירה או בתפקיד בכיר בשירות הציבורי.

ג. בתפקיד בכיר בתחום עיסוקיה העיקריים של החברה.

2. הנני תושב ישראל וכתובתי כפי הרשום במרשם התושבים הינה :

050-6202000 6954718 18 א' רומנילי תל אביב
טלפון מיקוד מסי בית רחוב ישוב

shoukyoren@gmail.com טלפון נייד [אופציונלי]
דוא"ל

3. מעני להמצאת כתבי בית דין הינו :

כתובתי כפי הרשומה במרשם התושבים (ראה לעיל)



או :



ישוב רחוב מסי בית מיקוד טלפון

4. מקצועי :

5. השכלתי :

א. אקדמית :

שם המוסד האקדמי	תחום	תואר
האוניברסיטה העברית י-ם	כלכלה	BA
האוניברסיטה העברית י-ם	מינהל עסקים	MA

ב. השכלה אחרת ותעודות מקצועיות :

6. עיסוקי העיקריים בחמש השנים האחרונות:

התפקיד שמילאתי	שם מקום העבודה ותחום פעילותו	משך הזמן שמילאתי בתפקיד
מנכ"ל	מנכ"ל קרדן אן.וי חברת אחזקות בנדל"ן פיננסים ותשתיות	20012-2016

7. נא לסמן את החלופה המתאימה:

☐ עיסוקי העיקרי כיום הוא:

שמו המלא של מקום העבודה:

תחום פעילותו של מקום העבודה:

תפקידי במקום העבודה:

או:

☒ אין לי כיום עיסוק עיקרי

8. נא לסמן את החלופה המתאימה:

☒ אין לי כיום תפקיד בשירות הציבורי או עיסוק אחר.

או:

☐ להלן פירוט תפקידי בשירות הציבורי ועיסוקי האחרים כיום (למעט דירקטור בחברות):

שמו המלא של המקום	תחום פעילותו של המקום	תפקידי במקום
1.		
2.		
3.		

9. נא לסמן את החלופה המתאימה:

☐ אינני מכהן כיום כדירקטור בתאגיד כלשהו (לרבות תאגידים פרטיים ותאגידים זרים).

או:

אני מכהן כיום כדירקטור בתאגידים הבאים, לרבות תאגידים פרטיים ותאגידים זרים (נא לפרט את כולם):

<u>שמו המלא של התאגיד</u>	<u>תחום פעילותו של התאגיד</u>
1. C2 Communities Services Inc.	מיזם טכנולוגי בתחום מקבצי דיור בארה"ב
2.	
3.	
4.	
5.	
6.	
7.	
8.	

10. נא לסמן את החלופה המתאימה:

☐ לא כיהנתי כדירקטור בתאגיד אחר במשך חמש השנים האחרונות.

או:

תאגידים אחרים בהם כיהנתי כדירקטור בחמש השנים האחרונות, בציון השנים בהן כיהנתי כאמור:

<u>שמו המלא של התאגיד</u>	<u>שנות כהונה</u>
1. KARDAN N.V	2012-2016
2. KARDAN LAND CHINA LTD	2012-2016
3. GTC.SA	2012-2013
4. KARDAN FINANCIAL SERVICES B.V	2012-2016
5. AL GROUP INTERNATIONAL B.V	2012-2016
6. GTC.BV	2012-2016

11. מתקיימים לגבי תנאי הכשירות למינוי דירקטור חיצוני הקבועים בסעיף 240(ב) עד (ו) לחוק כמפורט להלן:

- 11.1 הנני תושב ישראל;
- 11.2 אינני קרוב של בעל השליטה בחברה ואין ולא היו לי, לקרובי, לשותפי, למעבידי, למי שאני כפוף לו במישרין או בעקיפין, או לתאגיד שאני בעל השליטה בו, במועד חתימתי על הצהרה זו או בשנתיים שקדמו למועד זה, זיקה לחברה, לבעל השליטה בחברה או לקרובו, במועד חתימתי זו, או לתאגיד אחר;
- לעניין סעיף זה:

"זיקה" – קיום יחסי עבודה, קיום קשרים עסקיים או מקצועיים דרך כלל או שליטה, וכן כהונה כנושא משרה, למעט כהונה של דירקטור שמונה כדי לכהן כדירקטור חיצוני בחברה שעומדת להציע לראשונה מניות לציבור ;

"תאגיד אחר" – תאגיד שבעל השליטה בו, במועד חתימתי על הצהרה זו או בשנתיים שקדמו לו, הוא החברה או בעל השליטה בה ;

"קרוב" – בן זוג, אח או אחות, הורה, הורי הורה, צאצא, וכן צאצא, אח, אחות או הורה של בן הזוג או בן זוגו של כל אחד מאלה ;

11.3 תפקידי או עיסוקי האחרים אינם יוצרים או עלולים ליצור ניגוד עניינים עם תפקידי כדירקטור בחברה, ואין בהם כדי לפגוע ביכולתי לכהן כדירקטור כאמור.

11.4 במועד חתימתי על הצהרה זו אינני מכהן כדירקטור חיצוני או כדירקטור בלתי תלוי בחברה אחרת, אשר דירקטור באותה חברה אחרת מכהן כדירקטור חיצוני או כדירקטור בלתי תלוי בחברה.

11.5 אינני חבר רשות ניירות ערך או עובד שלה, ואינני חבר דירקטוריון בורסה בישראל או עובד שלה. מבלי לגרוע מהאמור בס"ק (11.2) לעיל, במועד חתימתי על הצהרה זו, אין לי, לקרובי, לשותפי, למעבידי, למי שאני כפוף לו במישרין או בעקיפין, או לתאגיד שאני בעל השליטה בו, קשרים עסקיים או מקצועיים למי שאסורה זיקה אליו לפי הוראות סעיף קטן (2) לעיל, גם אם הקשרים כאמור אינם דרך כלל, למעט קשרים זניחים כמפורט להלן :

וכן, לא קיבלתי כל תמורה מהחברה מעבר לגמול דירקטורים בהתאם לתקנות החברות הרלוונטיות.

12. נא לסמן את החלופה המתאימה :

☒ אינני עובד של החברה, של חברה בת, חברה קשורה שלה או של בעל ענין בה.

או :

☐ הנני עובד של החברה, של חברה בת, חברה קשורה שלה או של בעל ענין בה (ראו סעיפים 6 ו-7 לעיל). אם דרוש מידע נוסף :

13. נא לסמן את החלופה המתאימה :

☒ אינני בן משפחה של בעל ענין אחר בחברה.

או :

☐ הנני בן משפחה של בעל ענין אחר בחברה :

14. לפי מיטב הבנתי והכרתי, תפקידי או עיסוקי האחרים, לרבות כהונתי כדירקטור בתאגידים אחרים, אינם יוצרים ואינם עלולים ליצור ניגוד עניינים עם תפקידי כדירקטור בלתי תלוי בחברה ואין בהם כדי לפגוע ביכולתי לכהן כדירקטור.

15. נא לסמן את החלופה המתאימה :

איני מחזיק במניות או בניירות ערך המירים או הניתנים למימוש למניות, של החברה או של חברה בת של החברה או של חברה קשורה לחברה.

או:

אני מחזיק במניות ו/או בניירות ערך המירים או הניתנים למימוש למניות, של החברה או של חברה בת של החברה או של חברה קשורה לה, כדלקמן (נא לציין שם התאגיד הרלוונטי, כמות נייר ערך וסוג נייר ערך):

16. לא הורשעתי בפסק דין חלוט בעבירה מהמפורטות להלן, למעט הרשעה על פי פסק דין שניתן לפני למעלה מ- 5 שנים:

16.1 עבירה לפי סעיפים 290 עד 297, 392, 415, 418 עד 420 ו- 422 עד 428 לחוק העונשין, תשל"ז-1977 ולפי סעיפים 52, 53(א) ו- 54 לחוק ניירות ערך.

16.2 הרשעה בבית משפט מחוץ לישראל בעבירות שוחד, מרמה, עבירות מנהלים בתאגיד או עבירות של ניצול מידע פנים.

16.3 הרשעה בעבירה אחרת אשר בית משפט קבע כי מפאת מהותה, חומרתה או נסיבותיה אין אני ראוי לשמש כדירקטור בחברה ציבורית.

16.4 כל עבירה אחרת שנקבעה על ידי שר המשפטים מכוח סעיף 226(ג) לחוק.

17. ועדת האכיפה המנהלית לא הטילה עליי אמצעי אכיפה האוסר עליי לכהן כדירקטור בחברה ציבורית או בחברה פרטית שהיא חברת איגרות חוב, ואם הוטל עליי אמצעי כאמור הרי שחלפה התקופה שקבעה ועדת האכיפה המינהלית בהחלטתה כאמור.

18. נא לסמן את החלופה המתאימה:

לא הוכרזתי פושט רגל.

או:

הוכרזתי פושט רגל והופטרתי.

19. נא לסמן את החלופה המתאימה:

הנני בעל מומחיות חשבונאית ופיננסית.

או:

הנני בעל כשירות מקצועית.

או:

אינני בעל מומחיות חשבונאית ופיננסית ואינני בעל כשירות מקצועית.

רצ"ב פרטים נוספים לגבי השכלתי וניסיוני שהינם רלוונטיים לצורך בחינת התקיימות התנאים והמבחנים הקבועים בתקנות החברות (תנאים ומבחנים לדירקטור בעל מומחיות חשבונאית ופיננסית ולדירקטור בעל כשירות מקצועית), התשס"ו-2005 לשם קביעה על ידי הדירקטוריון כי הנני בעל מומחיות חשבונאית ופיננסית ואו בעל כשירות מקצועית:

מעבר להשכלה ולניסיון ב- 5 השנים האחרונות, בשנים 2007-2011 הייתי החשב הכללי במשרד האוצר, בשנים 2002-2007 הייתי מנכ"ל בנק לאומי שוויץ ובמשרד האוצר, וקודם לכך מילאתי תפקידים בכירים בבנקאות בארץ.

מצ"ב מסמכים ותעודות התומכים בהצהרתי זו.

20. לפי מיטב הכרתי והבנתי הנני סבור שאני כשיר לכהן כדירקטור בלתי תלוי בחברה.

21. סכומי הגמול השנתי וגמול ההשתתפות להם אהיה זכאי כדירקטור בלתי תלוי בחברה הובאו לידיעתי.

הריני מתחייב כי אם חדל להתקיים לגביי תנאי מהתנאים הדרושים לפי החוק לכהונתי כדירקטור בחברה או שמתקיימת לגביי עילה לפקיעת כהונתי כדירקטור בחברה - אודיע על כך מיד לחברה וכהונתי תפקע במועד מתן ההודעה.

לאחר שקראתי בעיון והבנתי את כל האמור לעיל, הנני מצהיר כי כל האמור לעיל הינו אמת לאמיתה וכי הפרטים הינם מדויקים ומלאים ונכתבו על ידי וכי ידוע לי כי חובותיי וזכויותיי המלאות על פי החוק והתקנות ידועות לי.

כמו כן לא ידוע לי כל פרט מהותי נוסף שיכול להשפיע על כהונתי כדירקטור וכי אם היה ידוע לי פרט שכזה הייתי מציינ זאת בהצהרה.


חתימת המועמד

תאריך: 19/2/17

External Director Eligibility Declaration

Pursuant to Sections 224A, 225B and sections 241 - 240 of the Companies Law, 5759-1999 (hereinafter: "the Law"), and the Companies Regulations (Conditions and Tests for a Professionally Eligible Director with Accounting and Financial Expertise and for a Professionally Eligible Director), 5766-2005;

I the undersigned,

First name: **MARIA DESPINA** Surname: **ARGYRIDOU**

ID No.: **737317** Date of birth **28/4/1973** Nationality: **CYPRriot**

i. hereby declare the following (in this declaration the following terms shall have the meanings alongside them (if not otherwise stated):

the Company	MIRLAND DEVELOPMENT CORPORATION PLC
the Law	the Companies Law, 5759-1999
External Director	As defined in the Law
Holding	Whether severally or jointly with others, directly or indirectly, by means of a trustee, a trust company, a registration company or in any other manner. As the holding is by means of a company - also by means of its subsidiary or an implied related company, and as it pertains to the holding by means of an individual - the individual and his family members residing with him or that the livelihood of the one is provided by the other, will be viewed as a single individual;
The Holding or Acquiring Securities Together with Others	The holding of securities or their acquisition in collaboration between two or more, according to an agreement, either verbally or in writing, in accordance with the Israeli Securities Law.
Officer	The CEO, chief business manager, deputy CEO, vice CEO, anyone maintaining a position with the Company, as stated, even if his title is different, and also a director or a manager, who is directly subordinated as CEO.
Control	The ability to direct the activities of the Corporation, except for the capacity resulting only from the fulfillment of a director or officer in a corporation, and that it is presumed that a person controls a corporation if he holds half or more of a particular type of means of control in the corporation.
means of control in the	Each of the following: (1) the right to vote at the general meeting of the company or of a parallel body in another corporation; (2) the right to



corporation	appoint directors of the corporation or its general manager.
Other corporation	A corporation where the controlling shareholder at the time of appointment or the two years preceding the date of appointment, is the Company or its controlling shareholder.
Related Company	Parent company, subsidiary or sister company.
Parent company	a Corporation that holds 50% or more of the nominal value of the issued share capital of the company or voting rights in it, or is entitled to appoint half or more of the directors or the general manager.
Subsidiary	a company, which is held by another company according to 50% or above of the par value of its issued share capital or of its voting power, or where it is entitled to appoint half or more of the directors or its CEO.
Relative	A spouse, a sibling, a parent, a grandparent, a child and also the child, sibling or parent of the spouse or the spouse of any of the foregoing.
A Director Having an Accounting Financial Expertise	<p>anyone, who on account of his education, experience and qualifications possesses high proficiency and understanding in business-accounting issues and in financial statements, in a manner that enables him to thoroughly understand the financial statements of the Company and to raise a discussion in connection with the manner of presentation of the financial data. The variety of reasoning in this respect ought to take into account the education, experience and know-how of the candidate in the following issues:</p> <ol style="list-style-type: none"> 1) Accounting issues and auditing issues, characteristic of the industry in which the Company and other companies of the scale and complexity of the Company are operating; 2) The functions of the auditor accountant and the duties imposed on him; 3) The preparation of financial statements and their approval according to the Companies Law and the Securities Law.
Director with professional qualifications	<p>An individual Who meets one of the following conditions:</p> <ol style="list-style-type: none"> 1) An academic degree in one of the following subjects: economics, business administration, accounting, law, public administration. 2) Holds another academic degree or has completed other higher

	<p>education studies, in the main area of activity of the company or the relevant field office.</p> <p>3) a five-year experience of at least one of the following, or has accumulated experience of five years, at least two or more of the following:</p> <p>A. The role of senior business management of a corporation with a significant volume of business.</p> <p>B. Senior public office or a senior position in the public service.</p> <p>C. A senior position in the main area of practice of the company.</p>
Means of Enforcement	Means of enforcement as stated in Section 52DDD Of the Securities Law, imposed pursuant to Chapter H4 of the Securities Law, pursuant to Chapter G2 of the Controlling of Investment Consultation and Management of Investment Portfolios Law, 5755-1995 or pursuant to Chapter J1 of the Joint Investment Trust Law, 5754-1994, as the case may be.
The Administrative Enforcement Committee	The committee appointed pursuant to Section 52FF(A) of the Securities Law.
Connection	the existence of labor relations, business or professional relations generally or control as well as acting as an office holder, other than a director appointed to serve as an external director in a company about to offer shares to the public for the first time, other than extraordinary cases pursuant to the Companies Regulations (Matters that do not Constitute Connection), 5767-2006 and other than serving as a director in a company prior to being classified as an external director;

2. My address:

31A KARPENISIOU

NICOSIA

1077

Street and No

City Zip

code

0035722843100

m99549489@gmail.com

Telephone

E- mail

3. My address for

court documents:

31A KARPENISIOU

NICOSIA

1077

Street and No City Zip code
0035722843100 **m99549489@gmail.com**

Telephone E- mail

4. My profession: **FREELANCE CONSULTANT**

5. My education¹:

A.

Academic Degree	Field	Name of Institution
MSc	INVESTMENT MANAGEMENT	CASS BUSINESS SCHOOL (FORMER CITY UNIVERSITY BUSINESS SCHOOL), LONDON, UK
BA	MANAGEMENT AND BUSINESS ADMINISTRATION	THE UNIVERSITY OF READING, UK

B. Other Education and/or Professional certificates:

6. During the past five years I dealt with the following²:

The position held	Name of workplace and field of activity	Time period
FREELANCE CONSULTANT	SELF EMPLOYED / ATTRACT FOREIGN INVESTMENTS IN CYPRUS (PROPERTY)	2013-DATE
CREDIT OFFICER (LENDING OF HNWI) & OPERATIONS SUPERVISOR	BANK OF CYPRUS / PRIVATE BANKING	2009-2013

¹ Please indicate all the areas of the director's education, the institution where such education was acquired and the academic degree or professional certificate the director holds.

² Indicate the position, full name of work place and length of time the director fulfilled in each position.

7. Please select the appropriate option:

☒ My main occupation today is: **FREELANCE CONSULTANT**

Full name of workplace: **SELF EMPLOYED**

Activity field of workplace: **INVESTMENTS / PROPERTY**

My role in the workplace:

OR

☐ Currently have no main occupation.

8. ☒ I did not serve as a director in another Company for more than nine years³.

9. Please select the appropriate option:

☒ **Currently I do not** hold a position in a public office.

OR

☐ Below are details of **current** public offices and\or other occupations I engage in (except for a director position in a company):

Name	Field of activity	Role

10. Please select the appropriate option:

☒ **Currently I do not** serve as a director of any corporation (including private and\or foreign corporations).

OR

³ The termination of tenure which does not exceed two years will not be regarded as terminating the continuity of tenure.

- ☐ I currently serve as a director of the following corporations, including private and/or foreign corporations (please specify):

Name of Corporation	Field of activity

11. Please select the appropriate option:

☒ I did not serve as a director of another corporation for the past five years.

OR

☐ I served as a director in other corporations in the last five years, (please specify):

Name of Corporation	Period of service

12. I have the qualifications for appointment of an External Director set forth in Section 240 (b) to (f) of the Law as follows:

12.1. I am not a relative of the Company's controlling person.

At the time of my appointment or during the preceding two years I, my Relative, spouse, employer, direct or indirect supervisor or the corporation of which I am the controlling person, have no connection to the Company, to the Company's controlling person or to the controlling person's Relative or to another corporation or company having no controlling person or to anyone holding the controlling block or to anyone who is, at the time of the appointment, the chairman of the board of directors, the CEO, substantial shareholder or most senior office holder in the financial area;

12.2. My other positions or occupations do not or may not form a conflict of interests with my position as a director and will not impair my ability to serve as a director.



12.3. I do not serve as a director in another company in which any of the Company's directors serves as an Independent director or External Director.

12.4. I am not an employee of the Securities Authority nor am I an employee of any stock exchange in Israel.

Without derogating from the abovementioned, I, my Relative, employer, direct or indirect supervisor or the corporation of which I am the controlling person, have no business or professional relationship with anyone the connection with is forbidden pursuant to the provisions in this Section above, even if such relationship is not generally, other than minor relationship, and I did not receive any consideration in addition to the compensation and expense reimbursement to which I am entitled, pursuant to the Companies Regulations (Rules regarding Compensation and Expense Reimbursement of External Directors), 5760-2000, directly or indirectly, due to serving as a director in the Company. Except for minor contacts specified below:

_____.

And I did not get any compensation from the company above the directors' remuneration in accordance with the relevant Companies' Regulations.

13. Please select the appropriate option:

☒ Currently I do not hold a position in the company, its subsidiaries and/or related companies and/or for any individual with interest(s) in the company.

OR

☐ Below are details of current positions in the company, its subsidiaries and/or related companies and/or for any individual with interest(s) in the company:

_____.

14. Please select the appropriate option:

☒ I am not a family member of another interested party in the Company.

OR:

☐ I am a family member of another interested party in the Company:

_____.

15. My other positions or occupations will not form a conflict of interests with my position as a director and will not impair my ability to serve as a director

16. I do not serve as a director in another company in which any of the Company's directors serves as an Independent director or External Director.



17. I am not an employee of the Securities Authority nor am I an employee of any stock exchange in Israel.

18. Please select the appropriate option:

☒ I do not hold shares or securities convertible into or exercisable for shares of the Company or the Company's subsidiary or related company of the Company.

OR:

☐ I hold shares and / or securities convertible into or exercisable for shares of the Company or a subsidiary of the Company or an affiliated company, as follows (please note the relevant company name, amount and type of securities securities);

19. I have not been convicted in a judgment in the first instance of the following offences and if I was previously convicted in a judgment of the following offences, the court determined, at the time of conviction or thereafter, at my request, that albeit my conviction of the following offences and considering, *inter alia*, the circumstances under which the offence was committed, I have no hindrance to serve as a director in a public company or that five years or a shorter period of time (in which I have no hindrance to serve as a director in a public company) elapsed from the date the judgment of which I was convicted was rendered, at the court's decision:

19.1. Offences pursuant to Sections 290 to 297, 392, 415, 418 to 420 and 422 to 428 of the Penal Law, 5737-1977, and pursuant to Sections 52C, 52D, 53(A) and 54 of the Securities Law, 5728-1968 (hereinafter: "the Securities Law") or Any other offence determined by the Minister of Justice by virtue of Section 226(C) of the Companies Law, 5759-1999.

19.2. Conviction in a court outside Israel of offences of bribery, deceit, offences by managers of a corporate body or offences involving misuse of inside information.

19.3. I have not been convicted in a judgment in the first instance of any other offence, which is not mentioned in section 4 above, in respect of which a court holds that, due to the substance, gravity or circumstances of such offense, I am not fit to serve as a director in either a public company or a private company which is a bonds' company and if I was convicted in the past in a judgment in the first instance of the abovementioned offence, five years or a shorter period of time (in which I have no hindrance to serve as a director in a public company or a Bonds' company) elapsed from the date the judgment of which I was convicted was rendered, at the court's decision.



20. No means of enforcement have been imposed on me by The Administrative Enforcement Committee which forbids me to serve as a director in any public company or Bonds' company and/or the Company and if such means of enforcement was imposed on me, the period prescribed by the Administrative Enforcement Committee in its decision elapsed.

21. Please select the appropriate option:

☒ I was not declared bankrupt.

OR

☐ I was declared bankrupt and discharged.

22. Please select the appropriate option:

☐ I have accounting and financial expertise.

OR

☒ I have professional qualifications.

OR

☐ I do not have accounting and financial expertise or professional qualifications.

Attached is additional information about my education and experience which is relevant for the purpose of examining the fulfillment of the conditions and criteria set out in the Companies regulations (Conditions and requirements for a Director with Accounting and Financial Expertise and a Director with Professional Skills), 2005 in order for the Board of Directors to determine that I have accounting and financial expertise and/or professional qualification:

Please see attached documentation that hereto in order to support the above.

23. In light of the above, I am eligible, to the best of my understanding, to serve as an External Director in the company.

24. The amount of annual compensation and participation which I shall be entitled to as an External Director in the Company has been brought to my attention.

I hereby undertake that if any of the required conditions by law cease to exist regarding my tenure as an external director in the Company or if grounds exists that may be cause for termination of my tenure as an external director in the company - I shall immediately inform the company and my tenure shall expire on giving said notice.



After having carefully read and understood all the aforesaid, I declare that all the aforesaid is true and that the identifying details are accurate and full and have been written by me, in my handwriting, and that I am aware that the provisions of the Companies Law stated above are not an exhaustive and final list and I know my full duties and rights pursuant to the Law.

In addition, I do not know of any other substantial detail that may affect my tenure as a director and/or the decision of the Company's audit committee as to my compliance with the eligibility conditions and tests to serve as an external Director and that had I known of any such detail, I would have indicated it in the declaration. If such detail is known to me, I will notify the Company immediately.

15 February 2017
Date


Signature

הצהרה מטעם מועמד לכהונת דירקטור חיצוני

בהתאם לסעיפים 224א, 224ב וסעיפים 241-240 לחוק החברות, התשנ"ט-1999 ובהתאם לתקנות החברות (תנאים ומבחנים לדירקטור בעל מומחיות חשבונאית ופיננסית ולדירקטור בעל כשירות מקצועית), התשס"ו-2005;

אני הח"מ, מילבאואר זאב 14473722 28/8/55 ישראלית
שם משפחה שם פרטי מס' תעודת זהות תאריך לידה אזרחות

1. מצהיר בזאת לאמור (בהצהרה זו יהיו למונחים הבאים הפירושים אשר לצידם (אם לא משתמע אחרת):

"החברה"	MIRLAND DEVELOPMENT CORPORATION PLC
"החוק"	חוק החברות, התשנ"ט-1999.
"ד"ח"צ"	דירקטור חיצוני כמשמעו בחוק.
"החזקה"	בין לבד ובין ביחד עם אחרים, בין במישרין ובין בעקיפין, באמצעות נאמן, חברת נאמנות או חברה לרישומים או בכל דרך אחרת, כאשר רואים יחיד ובני משפחתו הגרים עמו, או שפרנסת האחד על האחר, כאדם אחד.
"החזקת ניירות ערך ביחד עם אחרים"	החזקת ניירות ערך בשיתוף פעולה בין שניים או יותר לפי הסכם, בין בכתב ובין בע"פ, כאמור בחוק ניירות ערך, התשכ"ח-1968 ("חוק ניירות ערך").
"נושא משרה"	מנהל כללי, מנהל עסקים ראשי, משנה למנהל כללי, סגן מנהל כללי, כל ממלא תפקיד כאמור בחברה אף אם תוארו שונה, וכן דירקטור או מנהל הכפוף במישרין למנהל הכללי.
"שליטה"	היכולת לכוון את פעילותו של תאגיד, למעט יכולת הנובעת רק ממילוי תפקיד של דירקטור או נושא משרה אחרת בתאגיד, וחזקה על אדם שהוא שולט בתאגיד אם הוא מחזיק מחצית או יותר מסוג מסוים של אמצעי השליטה בתאגיד.
"אמצעי השליטה בתאגיד"	כל אחד מאלה: (1) זכות ההצבעה באסיפה הכללית של חברה או של גוף מקביל בתאגיד אחר; (2) הזכות למנות דירקטורים של התאגיד או את מנהלו הכללי.
"תאגיד אחר"	תאגיד שבעל השליטה בו, במועד המינוי או בשנתיים שקדמו למועד המינוי, הוא החברה או בעל השליטה בה.
"תאגיד קשור"	חברה אם, חברה בת או חברה אחות.
"חברה-אם"	תאגיד המחזיק 50% או יותר מהערך הנקוב של הון המניות המונפק של החברה או מכוח ההצבעה בה או רשאי למנות מחצית או יותר מהדירקטורים או את המנהל הכללי שלה.
"חברה-בת"	תאגיד אשר החברה מחזיקה ב- 50% או יותר מהערך הנקוב של הון המניות המונפק שלו או מכוח ההצבעה שבו או רשאית למנות מחצית או יותר מהדירקטורים או את המנהל הכללי שלו.
"חברה אחות"	חברה בת של החברה האם.
"קרוב"	בן זוג, אח או אחות, הורה, הורי הורה, צאצא וכן צאצא, אח, אחות או הורה של בן הזוג או בן זוגו של כל אחד מאלה.
דירקטור בעל מומחיות חשבונאית	מי שבשל השכלתו, ניסיונו וכישוריו הוא בעל מיומנות גבוהה והבנה בנושאים עסקיים – חשבונאיים ודו"חות כספיים באופן המאפשר לו להבין לעומק את הדו"חות הכספיים של החברה ולעורר דיון בקשר לאופן

<p>הצגתם של הנתונים הכספיים. במכלול השיקולים יש להביא בחשבון את ההשכלה, הנסיון והידיעות של המועמד בנושאים אלה:</p> <p>1. סוגיות חשבונאיות וסוגיות בקרה חשבונאיות האופייניות לענף שבו פועלת החברה ולחברות בסדר הגודל והמורכבות של החברה.</p> <p>2. תפקידיו של רואה החשבון המבקר והחובות המוטלות עליו.</p> <p>3. הכנת דו"חות כספיים ואישורם לפי חוק החברות ולפי חוק ניירות ערך.</p>	<p>ופיננסית</p>
<p>מי שמתקיים בו אחד מהתנאים האלה:</p> <p>1. בעל תואר אקדמאי באחד מן המקצועות האלה: כלכלה, מינהל עסקים, ראיית חשבון, משפטים, מינהל ציבורי.</p> <p>2. בעל תואר אקדמאי אחר או שהוא השלים לימודי השכלה גבוהה אחרת, הכל בתחום עיסוקה העיקרי של החברה או בתחום הרלוונטי לתפקיד.</p> <p>3. בעל ניסיון של חמש שנים לפחות באחד מאלה, או שהוא בעל ניסיון מצטבר של חמש שנים לפחות בשניים או יותר מאלה:</p> <p>א. בתפקיד בכיר בתחום הניהול העסקי של תאגיד בעל היקף עסקים משמעותי.</p> <p>ב. בכחונה ציבורית בכירה או בתפקיד בכיר בשירות הציבורי.</p> <p>ג. בתפקיד בכיר בתחום עיסוקה העיקריים של החברה.</p>	<p>דירקטור בעל כשירות מקצועית</p>
<p>כל הליך לפי פרק ח"ג, חי'4 או ט"ז לחוק ניירות ערך. "חוק ניירות ערך" - חוק ניירות ערך, התשכ"ח-1968, כפי שיתוקן מעת לעת. כל הליך לפי פרק ז' לחוק הסדרת העיסוק בייעוץ השקעות ובניהול תיקי השקעות, התשנ"א-1995, או לפי פרק י' לחוק השקעות משותפות בנאמנות, התשנ"ד-1994 לפי העניין.</p>	<p>הליך אכיפה מנהלי</p>
<p>הוועדה שמונתה לפי סעיף 52(א) לחוק ניירות ערך.</p>	<p>ועדת אכיפה מנהלית</p>
<p>קיום יחסי עבודה, קיום קשרים עסקיים או מקצועיים, וכן כחונה כנושא משרה, למעט כחונה של דירקטור שמונה כדי לכהן כדירקטור חיצוני בחברה שעומדת להציע לראשונה מניות לציבור;</p>	<p>"זיקה"</p>

2. הנני תושב ישראל וכתובתי כפי הרשום במרשם התושבים הינה:

ת"א	אבא קובנר	11	6937338	03-5465896
ישוב	רחוב	מס' בית	מיקוד	טלפון

0542333054	zeev2855@gmail.com
טלפון נייד (אופציונלי)	דוא"ל

3. מעני להמצאת כתבי בית דין הינו:

☒ כתובתי כפי הרשומה במרשם התושבים (ראה לעיל)

או:

☐

ישוב	רחוב	מס' בית	מיקוד	טלפון
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4. מקצועי: בעל חברה, איש עסקים.

5. השכלתי :

א. אקדמית :

שם המוסד האקדמי	תחום	תואר
מכללה למנהל	מנהל עסקים	לימודי תעודה, מנהל עסקים

ב. השכלה אחרת ותעודות מקצועיות : בעל רישיון ניהול תיקים, ניתוח דוחות כספיים, בעל רישיון תיווך מקרקעין.

6. עיסוקי העיקריים בחמש השנים האחרונות :

התפקיד שמילאתי	שם מקום העבודה ותחום פעילותו	משך הזמן שמילאתי בתפקיד
מנכ"ל/בעלים/דירקטור	מילבאואר זאב בנקאות להשקעות בע"מ	2015- היום
ניהול פעילות בנקאות להשקעות אי.בי.אי	אי.בי.אי שירותי בורסה בע"מ	2009-2015
חבר ועדת השקעות	פניקס חברה לביטוח עמיתים	2009- היום

7. נא לסמן את החלופה המתאימה :

☒ עיסוקי העיקרי כיום הוא : מנכ"ל של החברה כאמור בסעיף 6.

שמו המלא של מקום העבודה : מילבאואר זאב בנקאות להשקעות בע"מ.

תחום פעילותו של מקום העבודה : בנקאות להשקעות.

תפקידי במקום העבודה : מנכ"ל/בעלים.

או :

☐ אין לי כיום עיסוק עיקרי

8. איני מכהן בתאגיד כדירקטור מעל תשע שנים רצופות¹ - לא.

9. נא לסמן את החלופה המתאימה :

¹ לעניין זה לא יראו בהפסקת כהונה שאינה עולה על שנתיים כמפסיקה את רצף הכהונה.

☒ אין לי כיום תפקיד בשירות הציבורי או עיסוק אחר.

או:

☐ להלן פירוט תפקידי בשירות הציבורי ועיסוקי האחרים כיום (למעט דירקטור בחברות):

<u>שמו המלא של</u>	<u>תחום פעילותו של</u>	<u>תפקידי במקום</u>
<u>המקום</u>	<u>המקום</u>	
1.		
2.		
3.		

10. נא לסמן את החלופה המתאימה:

☐ אינני מכהן כיום כדירקטור בתאגיד כלשהו (לרבות תאגידים פרטיים ותאגידים זרים).

או:

☒ אני מכהן כיום כדירקטור בתאגידים הבאים, לרבות תאגידים פרטיים ותאגידים זרים (נא לפרט את כולם):

<u>שמו המלא של התאגיד</u>	<u>תחום פעילותו של התאגיד</u>
מילבאואר זאב בנקאות להשקעות	בנקאות להשקעות
בע"מ	
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	

11. נא לסמן את החלופה המתאימה:

☐ לא כיהנתי כדירקטור בתאגיד אחר במשך חמש השנים האחרונות.

או:

☒ תאגידים אחרים בהם כיהנתי כדירקטור בחמש השנים האחרונות, בציון השנים בהן כיהנתי כאמור:

<u>שמו המלא של התאגיד</u>	<u>שנות כהונה</u>
מילבאואר זאב בנקאות להשקעות	שנתיים
בע"מ	
1.	
2.	

_____	_____	3.
_____	_____	4.

12. מתקיימים לגבי תנאי הכשירות למינוי דירקטור חיצוני הקבועים בסעיף 240(ב) עד (ו) לחוק כמפורט להלן:

- 12.1 הנני תושב ישראל;
- 12.2 אינני קרוב של בעל השליטה בחברה ואין ולא היו לי, לקרובי, לשותפי, למעבידי, למי שאני כפוף לו במישרין או בעקיפין, או לתאגיד שאני בעל השליטה בו, במועד חתימתי על הצהרה זו או בשנתיים שקדמו למועד זה, זיקה לחברה, לבעל השליטה בחברה או לקרובו, במועד חתימתי זו, או לתאגיד אחר;
- לעניין סעיף זה:
- "זיקה" – קיום יחסי עבודה, קיום קשרים עסקיים או מקצועיים דרך כלל או שליטה, וכן כהונה כנושא משרה, למעט כהונה של דירקטור שמונה כדי לכהן כדירקטור חיצוני בחברה שעומדת להציע לראשונה מניות לציבור;
- "תאגיד אחר" – תאגיד שבעל השליטה בו, במועד חתימתי על הצהרה זו או בשנתיים שקדמו לו, הוא החברה או בעל השליטה בה;
- "קרוב" – בן זוג, אח או אחות, הורה, הורי הורה, צאצא, וכן צאצא, אח, אחות או הורה של בן הזוג או בן זוגו של כל אחד מאלה;
- 12.3 תפקידי או עיסוקי האחרים אינם יוצרים או עלולים ליצור ניגוד עניינים עם תפקידי כדירקטור חיצוני בחברה, ואין בהם כדי לפגוע ביכולתי לכהן כדירקטור חיצוני כאמור.
- 12.4 במועד חתימתי על הצהרה זו אינני מכהן כדירקטור חיצוני או כדירקטור בלתי תלוי בחברה אחרת, אשר דירקטור באותה חברה אחרת מכהן כדירקטור חיצוני או כדירקטור בלתי תלוי בחברה.
- 12.5 אינני חבר רשות ניירות ערך או עובד שלה, ואינני חבר דירקטוריון בורסה בישראל או עובד שלה.
- מבלי לגרוע מהאמור בס"ק (12.2) לעיל, במועד חתימתי על הצהרה זו, אין לי, לקרובי, לשותפי, למעבידי, למי שאני כפוף לו במישרין או בעקיפין, או לתאגיד שאני בעל השליטה בו, קשרים עסקיים או מקצועיים למי שאסורה זיקה אליו לפי הוראות סעיף קטן (2) לעיל, גם אם הקשרים כאמור אינם דרך כלל, למעט קשרים זניחים כמפורט להלן:

וכן, לא קיבלתי כל תמורה מהחברה מעבר לגמול דירקטורים בהתאם לתקנות החברות הרלוונטיות.

13. נא לסמן את החלופה המתאימה:

☒ אינני עובד של החברה, של חברה בת, חברה קשורה שלה או של בעל ענין בה.

או:

☐ הנני עובד של החברה, של חברה בת, חברה קשורה שלה או של בעל ענין בה (ראה סעיפים 6 ו-7 לעיל).

אם דרוש מידע נוסף:

14. נא לסמן את החלופה המתאימה :

☒ אינני בן משפחה של בעל ענין אחר בחברה.

או:

☐ הנני בן משפחה של בעל ענין אחר בחברה: _____

15. לפי מיטב הבנתי והכרתי, תפקידי או עיסוקי האחרים, לרבות כהונתי כדירקטור בתאגידים אחרים, אינם יוצרים ואינם עלולים ליצור ניגוד עניינים עם תפקידי כדח"צ בחברה ואין בהם כדי לפגוע ביכולתי לכהן כדירקטור.

16. אינני מכהן כדירקטור בתאגיד אחר אשר דח"צ שלו מכהן כדירקטור בחברה.

17. אינני עובד של ניירות ערך או עובד של בורסה בישראל.

18. נא לסמן את החלופה המתאימה :

☐ איני מחזיק במניות או בניירות ערך המירים או הניתנים למימוש למניות, של החברה או של חברה בת של החברה או של חברה קשורה לחברה.

או:

☒ אני מחזיק במניות ו/או בניירות ערך המירים או הניתנים למימוש למניות, של החברה או של חברה בת של החברה או של חברה קשורה לה, כדלקמן (נא לציין שם התאגיד הרלוונטי, כמות נייר ערך וסוג נייר ערך):

מירלנד אג"ח ז' 97,708.

מירלנד מניה 34,012.

19. לא הורשעתי בפסק דין חלוט בעבירה מהמפורטות להלן, למעט הרשעה על פי פסק דין שניתן לפני למעלה מ- 5 שנים:

19.1 עבירה לפי סעיפים 290 עד 297, 392, 415, 418 עד 420 ו-422 עד 428 לחוק העונשין, התשל"ז-1977 ולפי סעיפים 52ג, 52ד, 53(א) ו-54 לחוק ניירות ערך, התשכ"ח-1968.

19.2 הרשעה בבית משפט מחוץ לישראל בעבירות שוחד, מרמה, עבירות מנהלים בתאגיד או עבירות של ניצול מידע פנים.

19.3 הרשעה בעבירה אחרת אשר בית משפט קבע כי מפאת מהותה, חומרתה או נסיבותיה אין אני ראוי לשמש כדירקטור בחברה ציבורית.

20. לא הוטל עלי על ידי ועדת אכיפה מנהלית אמצעי אכיפה האוסר עלי לכהן כדירקטור/ית בחברה ציבורית.

21. נא לסמן את החלופה המתאימה :

☒ לא הוכרזתי פושט רגל.

או:

☐ הוכרזתי פושט רגל והופטרתי.

22. נא לסמן את החלופה המתאימה:

☒ הנני בעל מומחיות חשבונאית ופיננסית.

או:

☐ הנני בעל כשירות מקצועית.

או:

☐ אינני בעל מומחיות חשבונאית ופיננסית ואינני בעל כשירות מקצועית.

רצ"ב פרטים נוספים לגבי השכלתי ונסיוני שהינם רלוונטיים לצורך בחינת התקיימות התנאים והמבחנים הקבועים בתקנות החברות (תנאים ומבחנים לדירקטור בעל מומחיות חשבונאית ופיננסית ולדירקטור בעל כשירות מקצועית), התשס"ו-2005 לשם קביעה על ידי הדירקטוריון כי הנני בעל מומחיות חשבונאית ופיננסית ו/או בעל כשירות מקצועית:

רצ"ב מסמכים ותעודות התומכים בהצהרתי זו.

23. לפי מיטב הכרתי והבנתי הנני סבור שאני כשיר לכהן כדירקטור חיצוני בחברה.

24. סכומי הגמול השנתי וגמול ההשתתפות להם אהיה זכאי כדח"צ בחברה הובאו לידיעתך.

הריני מתחייב כי אם חדל להתקיים לגביי תנאי מהתנאים הדרושים לפי החוק לכהונתי כדירקטור חיצוני בחברה או שמתקיימת לגביי עילה לפקיעת כהונתי כדירקטור חיצוני בחברה - אודיע על כך מיד לחברה וכהונתי תפקע במועד מתן ההודעה.

לאחר שקראתי בעיון והבנתי את כל האמור לעיל, הנני מצהיר כי כל האמור לעיל הינו אמת לאמיתה וכי הפרטים הינם מדויקים ומלאים ונכתבו על ידי וכי ידוע לי כי חובותיי וזכויותיי המלאות על פי החוק והתקנות ידועות לי.

כמו כן לא ידוע לי כל פרט מהותי נוסף שיכול להשפיע על כהונתי כדירקטור וכי אם היה ידוע לי פרט שכזה הייתי מציין זאת בהצהרה.


חתימת המועמד

תאריך: 19.2.2017