
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 2054**

Form 6-K

**REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16 UNDER THE SECURITIES
EXCHANGE ACT OF 1934**

For the month of August 2025

Commission File Number: **001-35165**

BRAINSWAY LTD.

(Translation of registrant's name into English)

**16 Hartum Street RAD Tower, 14th Floor
Har HaHotzvim
Jerusalem, 9777516, Israel**

(+972-2) 582-4030

(Address and telephone number of Registrant's principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.
Form 20-F ☒ Form 40-F ☐

This Form 6-K is incorporated by reference into the Company's Registration Statement on Form S-8 filed with the Securities and Exchange Commission on April 22, 2019 (Registration No. 333- 230979) and the Company's Registration Statements on Form F-3 filed with the Securities and Exchange Commission on July 22, 2024 (Registration No. 333-280934) and on April 22, 2025 (Registration No. 333-286672).

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
-----------------------	--------------------

<u>99.1</u>	<u>Press Release dated August 21, 2025</u>
<u>99.2</u>	<u>INVESTMENT AGREEMENT</u>
<u>99.3</u>	<u>CALL OPTION AGREEMENT</u>
<u>99.4</u>	<u>Amended and Restated Articles of Association</u>
<u>99.5</u>	<u>SECOND AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT</u>

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BRAINSWAY LTD.

(Registrant)

Date: August 21, 2025

/s/ Hadar Levy

Hadar Levy
Chief Executive Officer



BrainsWay Targets Expansion of its Total Addressable Market through a Strategic Investment in Neuromodulation Systems Developer, Neurolief Ltd.

This investment marks BrainsWay's entrance into the market for mental health therapies that can be administered outside of a clinic, including at home

Neurolief's breakthrough Proliv™Rx device is pending Premarket Approval from the U.S. FDA, and if granted, will become the first FDA-cleared medical device for MDD treatment that can be delivered outside of the clinic

BURLINGTON, Mass. and JERUSALEM, Israel, August 21, 2025 -- BrainsWay Ltd. (NASDAQ & TASE: BWAY) ("BrainsWay" or the "Company"), a global leader in advanced noninvasive neurostimulation treatments for mental health disorders, today announced it has closed an initial strategic investment by means of a \$5 million convertible loan to, along with an option to acquire, Neurolief Ltd. ("Neurolief"), developer of the world's first wearable, non-invasive, multi-channel brain neuromodulation platform that is designed for use at home. Neurolief's technology has demonstrated positive clinical outcomes and includes a proprietary therapy for treatment-resistant major depressive disorder (MDD) and migraine. The Agreement also includes additional possible milestone-based funding.

"We are very excited with this strategic investment in Neurolief. Upon an FDA approval, we believe this technology will significantly expand our addressable market, enabling care for patients who cannot easily access clinics and empowering medical professionals to extend treatment beyond traditional settings. This aligns with our strategic goal of accelerating access to and awareness of innovative mental health treatments, especially offerings that we believe are complementary to mental health professionals using our Deep TMS therapy," said Hadar Levy, BrainsWay's Chief Executive Officer. "The BrainsWay team has rapidly expanded sales of the Deep TMS™ system, supported by scaling of our commercial platform and customer network. We are excited by the opportunity to leverage our platform and explore potential synergies between our two companies, as Neurolief brings its at-home neuromodulation systems to the market through mental health professionals."

Neurolief is a pioneering neuromodulation company dedicated to developing innovative solutions for mental health and neurological disorders. Neurolief's Relivion®MG therapy is currently approved in the U.S., Europe and Japan for the treatment of migraine, and it is awaiting Premarket Approval from the U.S. FDA for its Proliv™Rx therapy addressing Major Depressive Disorder (MDD) in treatment resistant patients. If approved, Neurolief will be the first medical device company to offer an FDA-cleared MDD treatment that can be delivered outside of the clinic.



MDD is a leading cause of disability globally, with millions of people affected. The situation is especially dire for those patients who fail to respond to traditional treatments, facing prolonged suffering, higher healthcare costs, and a heightened risk of comorbid conditions such as substance abuse and suicide. Despite the global impact of MDD, there is a critical gap in accessible, effective therapies, particularly for these patients. Proliv™Rx is designed to bridge this gap by offering a revolutionary, non-invasive brain neuromodulation therapy that can be administered at a mental health clinic or a patient's home.

“This strategic investment by BrainsWay is a strong validation of our science, our team, and our vision,” stated Scott Drees, Neuro Relief's Chief Executive Officer. “This partnership enhances our ability to reach the patients who need our therapy most. BrainsWay's market presence, deep expertise, and established commercial platform can complement our innovation and momentum. Together, we aim to reshape the treatment landscape for depression and expand access to evidence-based, effective care.”

Beyond the initial \$5 million convertible loan, the agreement provides for potential additional milestone-based funding to Neuro Relief, including a second tranche of up to a \$6 million convertible loan upon FDA approval of Neuro Relief's Proliv Rx system for MDD treatment, and a third tranche consisting of up to a \$5 million equity investment upon Neuro Relief achieving an agreed-upon revenue milestone. BrainsWay has also been granted a “call option” to acquire all outstanding equity interests in Neuro Relief during clearly defined exercise windows, at a price based on the greater of a specified enterprise value or a revenue multiple, with the values varying depending on timing of exercise.

Through this multi-phased transaction, BrainsWay aims to expand its long-term total addressable market.

About BrainsWay

BrainsWay is a global leader in advanced noninvasive neurostimulation treatments for mental health disorders. The Company is boldly advancing neuroscience with its proprietary Deep Transcranial Magnetic Stimulation (Deep TMS™) platform technology to improve health and transform lives. BrainsWay is the first and only TMS company to obtain three FDA-cleared indications backed by pivotal clinical studies demonstrating clinically proven efficacy. Current indications include major depressive disorder (including reduction of anxiety symptoms, commonly referred to as anxious depression), obsessive-compulsive disorder, and smoking addiction. The Company is dedicated to leading through superior science and building on its unparalleled body of clinical evidence. Additional clinical trials of Deep TMS in various psychiatric, neurological, and addiction disorders are underway. Founded in 2003, with operations in the United States and Israel, BrainsWay is committed to increasing global awareness of and broad access to Deep TMS. For the latest news and information about BrainsWay, please visit www.brainsway.com.

About Neuro Relief

Neuro Relief is a pioneering neuromodulation company committed to developing breakthrough therapies for mental health and neurological disorders. The company has developed the world's first wearable, non-invasive, multi-channel brain neuromodulation system, that is designed for use at home, engineered to simultaneously stimulate key neural pathways in the head in order to modulate brain regions involved in regulation of mood and pain. Neuro Relief's technology is currently FDA-cleared and CE-marked for the treatment of migraine, and the company is actively seeking regulatory approvals for Proliv™Rx, its flagship product for the treatment of Major Depressive Disorder. If granted, Neuro Relief will be the first medical device company to offer an FDA-approved MDD treatment that can be delivered outside of the clinic. Learn more at: www.neurorelief.com



Forward-Looking Statement

This press release contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements may be preceded by the words “intends,” “may,” “will,” “plans,” “expects,” “anticipates,” “projects,” “predicts,” “estimates,” “aims,” “targets,” “believes,” “hopes,” “potential” or similar words, and also includes any financial guidance and projections contained herein. These forward-looking statements and their implications are based on the current expectations of the management of the Company only and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. In addition, historical results or conclusions from scientific research and clinical studies – especially preliminary data which remains subject to peer-review – do not guarantee that future results would suggest similar conclusions or that historical results referred to herein would be interpreted similarly in light of additional research or otherwise. The following factors, among others, could cause actual results to differ materially from those described in the forward-looking statements: the failure to realize anticipated synergies and other benefits of the proposed transaction; the failure of our investments in management services organizations and/or other clinic-related entities to produce profitable returns; inadequacy of financial resources to meet future capital requirements; changes in technology and market requirements; delays or obstacles in launching and/or successfully completing planned studies and clinical trials; failure to obtain approvals by regulatory agencies on the Company’s anticipated timeframe, or at all; inability to retain or attract key employees whose knowledge is essential to the development of Deep TMS products; unforeseen difficulties with Deep TMS products and processes, and/or inability to develop necessary enhancements; unexpected costs related to Deep TMS products; failure to obtain and maintain adequate protection of the Company’s intellectual property, including intellectual property licensed to the Company; the potential for product liability; changes in legislation and applicable rules and regulations; unfavorable market perception and acceptance of Deep TMS technology; inadequate or delays in reimbursement from third-party payers, including insurance companies and Medicare; inability to commercialize Deep TMS, including internationally, by the Company or through third-party distributors; product development by competitors; inability to timely develop and introduce new technologies, products and applications, which could cause the actual results or performance of the Company to differ materially from those contemplated in such forward-looking statements.

Any forward-looking statement in this press release speaks only as of the date of this press release. The Company undertakes no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by any applicable securities laws. More detailed information about the risks and uncertainties affecting the Company is contained under the heading “Risk Factors” in the Company’s filings with the U.S. Securities and Exchange Commission.



Contacts:

BrainsWay:

Ido Marom
Chief Financial Officer
Ido.Marom@BrainsWay.com

Investors:

Brian Ritchie
LifeSci Advisors
britchie@lifesciadvisors.com

INVESTMENT AGREEMENT

THIS INVESTMENT AGREEMENT (the “**Agreement**”) is made and entered into effective as of the 18th day of August, 2025, by and among Neurolief Ltd., a company organized under the laws of the State of Israel having its principal offices at 12 Giborei Israel, Netanya, Israel, 4250412 (the “**Company**”) and Brainsway Ltd., a company organized under the laws of the State of Israel having its principal offices at 16 Hartum Street, RAD Tower, Jerusalem, 9777516, Israel (the “**Investor**”), and together with the Company, the “**Parties**” and each, a “**Party**”).

RECITALS:

WHEREAS, the Board of Directors of the Company (the “**Board**”) has determined that it is in the best interests of the Company to raise additional capital in an aggregate amount of up to \$16M, to be extended in up to three installments (each: an “**Installment**”), the first two of which, by means of convertible loans all as further provided herein; and

WHEREAS, the Investor wishes to effectuate the initial investment in the Company of the first Installment, by way of a convertible loan, in the principal amount of US\$5,000,000 in consideration of the grant of the rights in this Agreement to the Investor, upon and subject to the terms and conditions hereof; and

WHEREAS, subject to the satisfaction of certain milestones, the Investor undertakes to make certain additional investments in the Company in an aggregate amount of up to \$11M, in two further Installments, on the terms and subject to the conditions provided herein; and

WHEREAS, as a further material inducement for the Investor’s undertakings herein, the Investor wishes to be granted certain rights (such rights, collectively, the “**Call Option**”) to acquire all of the outstanding equity interests of the Company, subject to the terms and conditions of this Agreement and the Call Option Agreement (as defined herein). The Company acknowledges and agrees that such Call Option is a significant factor in the Investor’s decision to enter into this Agreement and provide financing to the Company and the Investor acknowledges and agrees that the grant of the Call Option to it by the Company is a valuable economic right afforded to the Investor by the Company in order to receive such financing; and

WHEREAS, as a further material inducement for the Investor’s undertakings herein, in order to grant the Investor certain governance rights prior to the conversion of the Principal Amount (as defined herein), the Company has agreed to create and issue to the Investor, at the Closing, one (1) share of a newly designated class of Special Shares (the “**Special Share**”), which shall carry no economic rights but shall entitle the holder to appoint director(s) to the Board of Directors, to certain special consent rights, and the right to receive its nominal value upon liquidation of the Company, all as set forth in the Amended Articles; and

WHEREAS, the Company is a party: (i) to that certain Second Amended and Restated Convertible Bridge Loan Agreement dated on or around February 2025 in an aggregate principal amount of approximately \$4.895M (plus an additional approximately \$89,579 deemed convertible loans thereunder from the Company’s CFO and CEO in lieu of deferred salary through September 30, 2024 the “**First Company CLA Salary Deferral**”) (collectively: the “**First Company CLA**”); and (ii) that certain Convertible Bridge Loan Agreement dated on or around February 2025 in an aggregate principal amount not to exceed \$3.776M (which amount includes approximately \$87,499 (the “**Second Company Salary CLA Deferral**”) deemed convertible loans thereunder from the Company’s CFO and CEO in lieu of deferred salary from October 1, 2024 through Closing) (collectively, the “**Second Company CLA**”, and together with the First Company CLA, the “**Existing Company CLAs**”; all lenders which are parties to the Existing Company CLAs shall herein be collectively referred to as the “**Existing Company CLA Lenders**”);

WHEREAS, at the Closing (and contingent thereupon), the First Company CLA (but without any interest accrued thereon which shall be forgiven) shall be converted into such number of Series B-2 Preferred Shares of the Company as reflected in the Capitalization Table (as defined below) (it being clarified that all of such shares underlying the foregoing conversion shall be included in the Fully Diluted Basis (as defined below) for purposes of calculation of the Conversion Price (as defined below) which shall have the rights, privileges and preferences as set forth in the Amended Articles (as defined below) (the “**First Company CLA Conversion**”).

WHEREAS, (i) pursuant to the Existing Company CLA Amendments (defined below) up to \$3.776M of principal amount (including the Second Company CLA Salary Deferral) shall rank pari passu with Loan Amount, including with respect to creditor and repayment rights, and upon conversion (as further reflected in the Capitalization Table on a pro-forma basis following the Closing), and (ii) any amount of principal actually advanced under the Second Company CLA by the Closing Date, in excess of \$3.776M (if any) (the “**Second Company CLA Surplus Subordinated Amount**”), shall be treated as follows: (i) any and all shares of the Company underlying the conversion of the Second Company CLA Surplus Subordinated Amount shall be included in the Fully Diluted Basis (as defined below) for purposes of calculation of the Conversion Price (as defined below) (it being clarified however, that nothing in the foregoing shall be deemed to imply the actual conversion thereof, which conversion terms (including timing) shall be determined according to the terms of the Second Company CLA, as amended), all as further reflected in the Capitalization Table (as defined below), and (ii) any repayment thereof shall be subordinate and subject to the prior and full repayment of the Loan Amount as further provided in the Existing Company CLA Amendments (as defined below);

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises, representations, warranties and covenants hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

1. **Agreement to Make and Accept the Convertible Loan and Subsequent Investments.**

1.1. **Convertible Loan.** Subject to and in accordance with the terms and conditions of this Agreement, at the Closing (as defined below), the Investor shall provide to the Company, and the Company shall accept from the Investor, a convertible loan in the principal amount of US\$5,000,000 (the “**Initial Principal Amount**”).

1.2. Interest. The Initial Principal Amount will bear interest on the outstanding balance at a simple rate per annum equal to the minimal rate permitted by Section 3(j) (“*yud*”) of the Israeli Income Tax Ordinance, 5721-1961 (and any rules and regulations promulgated thereof) (the “**Interest**”). The Initial Principal Amount, and all Interest accrued thereon and the VAT payable on such Interest, are collectively referred to as the “**Initial Loan Amount**”.

1.3. Repayment. Unless previously converted or repaid pursuant to the terms of this Agreement, the outstanding Initial Loan Amount shall become due and payable to the Investor on the date that is the three-year anniversary of the Closing Date (the “**Maturity Date**”); provided that it shall not be a breach of this Agreement as long as the Company completes the repayment of the Initial Loan Amount in full within 1 (one) year following the Maturity Date (the “**Repayment Grace Period**”), and further provided, that the Investor may, at the request of the Company and subject to its sole discretion, defer the Maturity Date to the Call Option Termination Date (as defined in the Call Option Agreement), by giving the Company notice in writing at any time prior to the Maturity Date. At any time prior to the Maturity Date (as and if deferred), the Investor will inform the Company by written notice if upon the Maturity Date, if it elects for the outstanding Initial Loan Amount to be repaid, or alternatively to have the Initial Principal Amount converted into shares as provided herein (in which case the accrued Interest thereon shall be deemed waived by the Investor and therefore shall be neither converted nor repaid); provided, however that in the event that no such written notice is timely given, then the Investor shall be deemed to have elected the outstanding Loan Amount to be repaid in accordance with the provisions of this Agreement. If it elects it to be repaid, the Company may obtain additional debt or equity financing to repay the outstanding Initial Loan Amount, without any restriction on the part of the Investor, and the Call Option shall expire immediately upon the repayment in full of the outstanding Loan Amount to the Investor.

1.4. Issuance of Special Share. Subject to the Closing taking place, the Company shall issue to the Investor the Special Share. The Special Share shall have such rights, preferences and privileges as set forth in the Amended Articles.

1.5. Use of Proceeds. The Company will use the Initial Principal Amount substantially in accordance with the budget following the Closing attached hereto as Exhibit A (the “**Budget**”), as may be amended from time to time Board subject to the procedures set forth in the Amended Articles.

1.6. [Reserved].

1.7. Subordination and Amendment of Existing Company CLAs. A condition to Closing shall be that Existing Company CLA Lenders, constituting the requisite majority necessary to effectuate an amendment to the Existing Company CLAs, execute and deliver an amendment to each of the Existing Company CLAs in substantially the form as set forth in Schedule 2.2.1.8(A) and (B)) (the “**Existing Company CLAs Amendments**”) confirming, *inter alia*, (i) effectuation of the First Company CLA Conversion immediately prior to the Closing (and contingent thereupon), (ii) that any payments with respect to the Second Company CLA Surplus Subordinated Amount (if any) shall be subordinated to the full repayment of the Loan Amount (as defined below), that the maturity date under the Second Company CLA shall be the Maturity Date under this Agreement, that interest accrued on the Second Company CLA with respect to the period commencing on the Closing Date and onwards, shall accrue at the same rate as provided in Section 1.2 of this Agreement (it being clarified that any interest accrued on the Second Company CLA during the period commencing on the respective dates of funding of all amounts constituting the Second Company CLA through the Closing Date shall remain unchanged as set forth in the Existing Company CLAs Amendment), and that the Event of Default under the Second Company CLA shall be substantially identical to the corresponding provisions of this Agreement.

1.8. **Additional Future Investments.** Subject to the Closing having occurred, and contingent upon the Company meeting certain milestones described below, the Investor undertakes to provide additional funding at two subsequent closings (the “**Second Closing**” and the “**Third Closing**”, each of which may be referred to as a “**Subsequent Closing**” and collectively the “**Subsequent Closings**”), as further provided in this Section 1.8.

1.8.1. **Second Investment.** At the Second Closing, and (in addition to the conditions set forth in Section 2.4), conditioned upon FDA Approval (defined below) (the “**Second Investment Milestone**”), the Investor shall provide to the Company, a convertible loan in the principal amount of up to US\$6,000,000, as specified in the Company’s Investment Request (as defined below, where the exact portion of the Second Principal Amount to be provided shall be determined by the Board (such principal amount actually extended to the Company by the Investor per the Company’s request, shall be referred to herein: the “**Second Principal Amount**”). The Second Principal Amount will bear Interest on the outstanding balance from the date of its disbursement to the Company, at the same rate as set forth in Section 1.2 above per annum. The Second Principal Amount, and all Interest and VAT accrued thereon, are collectively referred to as the “**Second Loan Amount**”, and collectively with the Initial Loan Amount, which is outstanding, the “**Loan Amount**”. The Second Principal Amount and the Initial Principal Amount are collectively referred to as the “**Principal Amount**”. Unless previously converted or repaid pursuant to the terms of this Agreement, the Second Loan Amount shall become due and payable to the Investor on the Maturity Date (as and if deferred in accordance with Section 1.3, and subject to the Repayment Grace Period set forth therein). At any time prior to the Maturity Date, the Investor will inform the Company by written notice if upon the Maturity Date, it elects for the outstanding Second Loan Amount to be repaid, or alternatively to have the Second Principal Amount converted into shares as provided herein (in which case the accrued Interest thereon shall be deemed waived by the Investor and therefore shall be neither converted nor repaid); provided, however that in the event that no such written notice is timely given, then the Investor shall be deemed to have elected the outstanding Loan Amount to be repaid in accordance with the provisions of this Agreement. If it elects it to be repaid, the Company may obtain additional debt or equity financing to repay the outstanding Second Loan Amount, without any restriction on the part of the Investor, and the Call Option shall expire as of immediately upon the repayment in full of the outstanding Loan Amount to the Investor. “**FDA Approval**” means: receipt by the Company of an Approval Order from the U.S. Food and Drug Administration (the “**FDA**”) for the Proliv Rx neurostimulation system for depression, which shall include approval as an adjunctive tool for management or treatment, or use for medication resistant or treatment-refractory depression, for use at home, and may include post approval obligations provided that it does not include any condition that would prevent commercial sale of the product in the United States.

1.8.2. **Third Investment.** Subject to the Second Closing having occurred and the investment of the Second Principal Amount, at the Third Closing, and (in addition to the conditions set forth in Section 2.4), conditioned upon Company having achieved twelve month revenues of US\$10,000,000, calculated on a trailing 12-month basis based on a reviewed (by the Company’s auditors, in accordance with US GAAP) statement(s) of the Company’s revenues for the applicable 12 calendar month period (the “**Third Investment Milestone**”), the Investor shall (subject to satisfaction of the conditions to a Subsequent Closing set forth in Section 2.4 below) pay to the Company the Third Investment Amount, in consideration for which the Company shall allot to the Investor Series S-3 Preferred Shares of the Company (the Preferred S-3 Shares, and together with the Preferred S-1 Shares and Preferred S-2 Shares, as defined below, the “**Preferred S Shares**”), which shall have the rights, preferences and privileges set forth in Amended Articles, for the aggregate purchase price specified in the Company’s Investment Request, such amount not to exceed US\$5,000,000 (the “**Third Investment Amount**”) (where the exact portion of the Third Investment Amount to be provided shall be determined by the Board). The price per share of the Preferred S-3 Shares (the “**Third Investment PPS**”) shall reflect a pre-money Company valuation, as of the Closing Date, on a Fully Diluted Basis, of \$55,000,000, assuming the investment and conversion of the Principal Amount and the Second Company CLA; and the number of Preferred S-3 Shares to be issued and allotted to Investor (the “**Third Closing Shares**”) shall be the result obtained by dividing the Third Investment Amount by the Third Investment PPS; all as further reflected in the Capitalization Table. The current Capitalization Table simulation assumes the investment of the maximum Principal Amount (i.e., \$11M) prior to investment of the Third Investment Amount, in which case, the Third Investment PPS shall be \$2.82 (and if and to the extent the Second Principal Amount actually invested is lower than \$6M, at the request of the Company, then the Capitalization Table shall be adjusted accordingly so to reflect the actual Principal Amount that was invested).

1.8.3. The amounts actually called by the Company in respect of the Second Principal Amount and the Third Investment Amount shall each be determined by the Board in its reasonable discretion, considering the Company's capital needs, business plan, and other relevant factors.

1.8.4. In order to minimize the potential for any dispute regarding the determination of the Company's revenues for the purpose of determining the Third Investment Milestone, the Parties agree to the following:

1.8.4.1. the Company's revenues will be calculated in accordance with US GAAP, as consistently applied by the Company in accordance with past practice;

1.8.4.2. upon decision of the Board, following the date upon which the Company first generates revenues in any calendar quarter of at least \$250,000, the Company's quarterly financial statements which shall be delivered to the Investor and the other entitled shareholders pursuant to the IRA (as defined below) on a quarterly basis shall be financial statements reviewed by the Company's auditors (**"Quarterly Reviewed FS"**).

1.8.4.3. upon Investor's receipt of any Quarterly Reviewed FS from the Company, the Investor shall have the right, to be exercised within 14 business days following the delivery date thereof, to review, inter alia, the Company's revenues with the Company's CFO and ensure that they are reflected in accordance with the abovementioned accounting principles;

1.8.4.4. revenues of the Company as set forth in any Quarterly Reviewed FS which were (i) approved by the Board, with the affirmative vote or written consent of a director appointed by the Investor, or (ii) not subject to any outstanding contest that was previously raised by the Investor pursuant to the procedure set forth in Section 1.8.4.3 shall have the presumption of being correct for purposes of determining whether the Third Investment Milestone has been achieved, unless such revenues has been adjusted in the course of the preparation of the Audited Financial Statements of the Company, in which case the revenues as adjusted shall have the presumption of being correct for purposes of determining whether the Third Investment Milestone has been achieved.

1.8.5. The Company shall provide the Investor with written notice promptly upon it becoming aware of the achievement of each of the Second Investment Milestone and the Third Investment Milestone (each, a “**Milestone**” and a “**Milestone Notice**”, respectively), together with the documentary evidence reasonably necessary to demonstrate that the applicable Milestone has been reached. Together with such notice, or in a separate notice to be given no later than 30 days after the date when the applicable Milestone was reached, the Company may issue a request (“**Investment Request**”) for the Second Principal Amount or the Third Investment Amount, as the case may be.

1.8.6. The Investor shall have 10 business days following the delivery of each Milestone Notice (as applicable with respect to each Milestone, the “**Review Period**”) to review such Milestone Notice and any additional information and documents received from the Company and to either: (a) inform the Company of its position as to the attainment of the Milestone by the Company, or (b) request additional information and documents from the Company as may be reasonably required for the Investor in order to confirm the satisfaction of the Milestone. If such additional information has been requested by the Investor, the Review Period shall be extended for 10 additional business days following the delivery to the Investor of all such additional information and documentation. In case the Investor does not agree that the Company has achieved such Milestone (the “**Dispute**”), the Investor shall inform the Company in writing, within the Review Period, of its conclusion which such written notice shall include the reason for such Dispute (the “**Objection Notice**”) and the Investor and the Company will promptly commence discussions to resolve such Dispute. If the Investor does not deliver an Objection Notice within the applicable Review Period (as extended, if and as applicable), then the Investor shall be deemed to have agreed with the Milestone Notice. If within 3 business days following the commencement of such discussions, the Investor and the Company have not resolved such Dispute, then either the Investor or the Company may submit for resolution of the Dispute to an independent expert consultant (the “**Expert**”). The Expert shall be appointed by mutual agreement of the Company’s chairman and the Investor’s Chief Executive Officer and shall serve as an arbitrator to resolve the items in Dispute. If the Parties cannot agree on the appointment of the Expert within 5 business days, the appointment shall be an individual recommended by the Company’s US regulatory counsel for the Second Investment Milestone, and the Company’s auditor for the Third Investment Milestone (in each case with meeting the necessary requirements and qualifications set forth in this Section 1.8.6). The Expert shall hold the relevant expertise and experience. Accordingly, the Parties contemplate the appointment of an independent regulatory consultant with at least seven (7) years’ direct experience in FDA medical-device submissions (including De Novo and PMA pathways) and who has no current or former association with the Company in case of dispute regarding completion of the Second Investment Milestone, or appointment of an accounting firm associated with one of the “Big 4” international accounting firms, that has no current or former association with the Company or the Investor in case of dispute regarding completion of the Third Investment Milestone. The Expert will provide its final determination within 14 days after the date of its appointment in case of the Second Investment Milestone or 30 days after the date of its appointment in case of the Third Investment Milestone. This provision for arbitration shall be specifically enforceable by the Parties, and the determination of the Expert in accordance with the provisions hereof shall be final and binding upon the Company and the Investor with no right of appeal therefrom (save for manifest error) This arbitration clause shall be treated as an arbitration contract between the parties for all intents and purposes and the provisions of the Israeli Arbitration Law of 1968 shall be applied to the arbitration proceedings and the Expert, unless the parties expressly agree to the contrary. The Expert shall not be bound by procedural rules. The costs of the Expert and any legal expenses borne in connection therewith shall be borne by the Party against whom the Dispute is determined.

1.8.7. Subject to the satisfaction of the conditions to the Subsequent Closings pursuant to Section 2.4 below, upon completion of the Review Period (and, if applicable, the Expert determination under Section 1.8.6), each of the Subsequent Closings shall take place as follows: (A) If no Objection Notice is delivered during the Review Period (as extended), the applicable Subsequent Closing shall take place within 7 business days after the expiration of the Review Period (as and if extended in accordance with Section 1.8.6 above); and (B) If a Dispute is raised and referred to an Expert, then, upon and subject to receipt of the Expert's final determination that the applicable Milestone was achieved, the applicable Subsequent Closing shall take place within 7 business days after such determination.

1.8.8. If, notwithstanding the satisfaction of all the conditions to the applicable Subsequent Closing, the Investor fails to duly comply with its obligations herein and fund the Second Principal Amount or the Third Investment Amount by the applicable date designated therefor according to this Agreement (each, a “**Default**”), the Company shall immediately notify the Investor of such Default and in the event that such Default is not remedied within 21 days from the date of delivery of the notice by the Company, then the Investor shall constitute a “Defaulting Investor” (a “**Defaulting Investor**”) for the purpose of this Agreement, the Amended Articles and the Call Option Agreement. In case the Investor is a Defaulting Investor, and as a sole and exclusive remedy for the Company, the following provisions shall apply: (a) the Investor's Call Option and the right of the Investor to appoint any director to the Company's (or any of its subsidiaries) Board of Directors pursuant to the Amended Articles, shall be automatically extinguished and of no further force and effect; (b) so long as the Second Company CLA remains outstanding and is not converted, the outstanding Principal Amount shall remain outstanding (and shall not be converted without the Company's prior consent), shall become due and repayable by the later date of: (i) the Maturity Date plus the Repayment Grace Period (i.e., the fourth year anniversary of the Closing Date), or (ii) 12 months from the date upon which the Investor is as a Defaulting Investor; and may be prepaid at any time. In such case, the rights, privileges and preferences of the Special Share pertaining to the Investor (including its veto rights) shall be automatically amended as specified in the Amended Articles in reference to a case of a Defaulting Investor; (c) upon conversion of the Second Company CLA into shares of the Company an amount equal to the greater of \$5,000,000 or 50% of the outstanding Principal Amount (if any) (without any accrued interest which shall be deemed waived (i.e., neither converted nor paid) shall be automatically and concurrently converted into Conversion Shares (as defined below) based on the applicable a Conversion Price (which shall be the First Conversion Price (defined below) if Default is with respect to the Second Principal Amount, and the Second Conversion Price (defined below) if Default is with respect to the Third Principal Amount), and shall have such rights, privileges and preferences as specified in the Amended Articles, specifically in reference to a case of a Defaulting Investor, and following such conversion, any portion of the outstanding Principal Amount not so converted and the Interest accrued thereupon, shall remain outstanding under the terms of this Section 1.8.8 and may be converted at any time at the option of the Investor at the Third Investment PPS (without any accrued interest which shall be deemed waived (i.e., neither converted nor paid); and (d) any other provisions in the Amended Articles relating to a Defaulting Investor shall apply.

1.8.9. Nothing in this Section 1.8 (other than in case of Default) shall supersede or limit the Investor's Call Option rights set forth in Section 4. The Call Option may be exercised (subject to its own terms) during the Call Option Period (as defined in the Call Option Agreement) regardless of whether the Second Closing or Third Closing has occurred, except as otherwise expressly stated in this Agreement or the Call Option Agreement (e.g., Non-Exercise Period or if the Investor has elected not to invest despite the satisfaction of the applicable Milestone due to the occurrence of a Material Adverse Change as per Section 2.4.6.2).

2. Closing, Delivery and Payment.

2.1. Closing. The closing of the payment and receipt of the Initial Principal Amount and the grant of the Call Option (the "**Closing**") shall take place via an electronic closing through exchange of separate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument, on or around the date which is 14 days following the date hereof or at such other time as the Company and the Investor mutually agree (the date of the closing being herein referred to as the "**Closing Date**").

2.2. Deliveries and Transactions at the Closing. At the Closing, the following transactions shall occur, which transactions shall be deemed to take place simultaneously and no transaction shall be deemed to have been completed or any document delivered until all such transactions have been completed and all required documents delivered:

2.2.1. The Company shall deliver to the Investor the following documents:

2.2.1.1. Shareholders Resolutions. Duly executed resolutions of the shareholders of the Company (which may be in the form of a written resolution or minutes of a general meeting and in any event shall include the requisite approvals as required under the Current Articles), substantially in the form attached as Schedule 2.2.1.1 hereto, pursuant to which the shareholders of the Company shall have, inter alia, approved all transactions contemplated hereby and taken all necessary corporate actions related to such transactions, including but not limited to:

2.2.1.1.1. As of immediately prior to the Closing: (A) increasing and modifying the authorized share capital of the Company to create and authorize the Special Share for the issuance to the Investor, and the creation of the Preferred S Shares, (B) approving the replacement, no later than immediately prior to the Closing, of the Current Articles (as defined below) with the Amended and Restated Articles of Association, in the form attached hereto as Schedule 2.2.1.1.1 (the "**Amended Articles**"); (C) approving the execution, delivery and performance by the Company of this Agreement, the Existing Company CLA Amendments (and all transaction contemplated thereby, including without limitation, the First Company CLA Conversion), the IRA and all documents, agreements, certificates, and instruments furnished pursuant or ancillary hereto or thereto (collectively with the Amended Articles, the "**Ancillary Documents**"), and collectively with this Agreement, the "**Transaction Documents**"); and (D) changing the composition of the Board as of the Closing and each Subsequent Closing; and

2.2.1.1.2. [Reserved].

2.2.1.1.3. [Reserved].

2.2.1.2. Board Resolutions. Duly executed unanimous resolutions of the Board (which may be in the form of a written resolution or minutes of the board of directors), substantially in the form attached as Schedule 2.2.1.2 hereto, pursuant to which the Board shall have, inter alia, approved all transactions contemplated hereby and taken all necessary corporate actions related to such transactions, including but not limited to, (A) approving the execution, delivery and performance by the Company of this Agreement and each Ancillary Document requiring such, (B) approving the issuance of the Special Share to the Investor, and (C) approving the issuance to the Investor of the Conversion Shares upon conversion of the Principal Amount, and the Third Closing Shares at the Third Closing (the “**Aggregate Shares**”, and together with the Call Option, and the Ordinary Shares which may be issued upon conversion of the Aggregate Shares, collectively, the “**Securities**”).

2.2.1.3. Share Certificate. Validly executed share certificate evidencing the registration of the Special Share in the name of the Investor, in the form attached hereto as Schedule 2.2.1.3 in the name of the Investor.

2.2.1.4. Shareholders Register. A copy, duly certified by an officer of the Company and dated as of the Closing, of the Company's shareholders register, in the form of Schedule 2.2.1.4 attached hereto (the “**Shareholders Register**”), which shall also reflect the registration by the Company of the issuance of the Special Share to the Investor.

2.2.1.5. Waivers; Confirmation of Holdings. Unless included in the shareholders resolutions, the Company shall deliver to the Investor a written consent in the form attached hereto as Schedule 2.2.1.5, signed by the Preferred B Majority (as defined under the Amended Articles) pursuant to which (i) any and all preemptive rights, rights of first refusal, or any other rights by virtue of which such shareholder (or any permitted transferee or assignee) may be entitled to purchase or receive securities of the Company (“**Participation Rights**”) with respect to the transactions contemplated by this Agreement, including the issuance of any Shares upon the conversion of the Principal Amount, have been waived or excluded; and (ii) any and all anti-dilution rights to which such shareholder (or any permitted transferee or assignee) may be entitled under the Current Articles or under any other instrument have been waived or excluded; and (iii) with respect to the holders of at least 85% of the Company's issued and outstanding share capital on a Fully-Diluted Basis, represents that its shareholdings as set forth in the Capitalization Table accurately reflects its holdings of the securities of the Company, both prior to and following the Closing, on a Fully-Diluted Basis (where confirmation to this effect in the Call Option Agreement shall satisfy this condition).

2.2.1.6. Compliance Certificate. A certificate, duly executed by the Chief Executive Officer of the Company, dated as of the Closing, in the form attached hereto as Schedule 2.2.1.6 (the “**Compliance Certificate**”).

2.2.1.7. Existing Company CLA Amendments. The Company shall deliver to the Investor the Existing Company CLA Amendments, in the form attached hereto as Schedule 2.2.1.8, duly executed by the requisite majority of lenders under the Existing Company CLAs necessary in order to effectuate the Existing Company CLA Amendments and the conversion of the First Company CLA.

2.2.2. Payment of Initial Principal Amount. The Investor shall cause the transfer to the Company of the Initial Principal Amount by wire transfer in accordance with written instructions of the Company attached hereto as Schedule 2.2.2.

2.2.3. Investors' Rights Agreement. The Amended and Restated Investors' Rights Agreement attached hereto as Schedule 2.2.3 (the “**Investors' Rights Agreement**” or “**IRA**”) shall have been executed by each of the Company, the Investor and the other existing shareholders necessary in order to effectuate the Investors' Rights Agreement.

2.2.4. Indemnification Agreements. The Company shall have executed the indemnification agreements with each of the Company's directors (including the director designated by the Investor), in the form attached hereto as Schedule 2.2.4.

2.2.5. Call Option Agreement. The Call Option Agreement (as defined in Section 4 below) shall have been executed by the Company, shareholders of the Company holding at least 85% of the Company's issued and outstanding shares, including the holders of a majority of each class of shares of the Company, and the Investor.

2.3. Transactions and Deliveries at Subsequent Closings.

2.3.1. At the Second Closing, the following transactions shall occur, which transactions shall be deemed to take place simultaneously and no transaction shall be deemed to have been completed or any document delivered until all such transactions have been completed and all required documents delivered: The Company shall (i) if and to the extent legally required with respect to any shares newly issued following the Closing and prior to the Second Closing, deliver to the Investor a waiver of Participation Rights in the same or substantially similar form as provided at the Closing, as applicable to the Second Closing with respect to any shares or convertible securities, options or warrants issued following the Closing, (ii) deliver to the Investor an Officer Certificate duly executed by the CEO of the Company confirming to the Investor that no Material Adverse Change (as defined below) shall have occurred and remains outstanding prior to such date, substantially in the form attached hereto as Schedule 2.3.1 (the “**Officer Certificate**”). The Investor shall cause the transfer to the Company of the Second Principal Amount by wire transfer in accordance with written instructions of the Company.

“Material Adverse Change” shall mean (i) as of the Closing and each Subsequent Closing, any change, event or effect that is materially adverse to the business, results of operations, assets, liabilities, or financial condition of the Company, taken as a whole, or that prevents or could reasonably be expected to prevent the consummation of the transactions contemplated by this Agreement or performance by any the Company of any material obligations under this Agreement; and (ii) as of the Second Closing or Third Closing, respectively, any adverse change (a **“R&W Material Adverse Change”**) to any of the Company’s representations and warranties constituting MAC Representations (as defined below) which meets the materiality criteria specified therein, and remains outstanding as of the Second Closing or Third Closing (as applicable), and, if curable, was not rectified by the Company within 30 days of notice thereof. The **“MAC Representations”** mean: (x) with respect to each of the Second Closing and the Third Closing: (x) (a) 5.14 (Intellectual Property) – in the context of any patent infringement claim against the Company, which has been accepted, is subject to ongoing settlement negotiations with the Company, or where such claim has been filed against the Company in any court or arbitration forum, and (b) 5.16 (Litigation) - in the context of any outstanding claim in the amount of at least \$2.5M, that is accepted, is subject to ongoing settlement negotiations with the Company, or where such claim has been filed against the Company in any court or arbitration forum ; and (y) with respect to the Third Closing – also 5.20 (Regulatory Matters) – in the context of: revocation, suspension or withdrawal of the FDA Approval below, even if such failure of a MAC Representation does not, in and of itself, meet the criteria set forth in clause (i) of this definition; provided, however, that any effect to the extent resulting or arising from any of the following shall not be considered when determining whether a Material Adverse Change under clause (i) shall have occurred: (a) any change or development in general economic conditions in the industries or markets or countries in which the Company operates, (b) any change in financing, banking or securities markets generally, (c) any act of god (including earthquakes, fires, floods and natural catastrophes) or act of war, armed hostilities or terrorism, change in political environment or any worsening thereof or actions taken in response thereto, and (d) any changes in law or the interpretation thereof; provided that any of the foregoing effects stated in clauses (a) through (d) shall be excluded only to the extent they do not have a disproportionate effect on the Company compared to other similarly situated companies in the same industry or market.

2.3.2. At the Third Closing, the following transactions shall occur, which transactions shall be deemed to take place simultaneously and no transaction shall be deemed to have been completed or any document delivered until all such transactions have been completed and all required documents delivered: The Company shall (i) issue and allot the Third Closing Shares and the Conversion Shares; (ii) deliver to the Investor a validly executed share certificate covering the Third Closing Shares and the Conversion Shares; (iii) register the allotment of the portion of the Third Closing Shares purchased by the Investor, and the Conversion Shares issued upon conversion of the Principal Amount, in its Shareholders Register and deliver a copy thereof to the Investor; (iv) deliver to the Investor an Officer Certificate in the same form as provided at the Second Closing, as applicable to the Third Closing; and (v) the Investor shall transfer the Third Investment Amount, for the Third Closing Shares being purchased to the Company by wire transfer in accordance with written instructions of the Company. Promptly following the Third Closing, the Company shall file the applicable reports with the Israeli Companies Registrar regarding the issuance of the Third Closing Shares.

2.4. Conditions to the Closing and the Subsequent Closings of the Investor. The obligations of the Investor to transfer the Investor’s Initial Principal Amount at the Closing, and to transfer the Investor Second Principal Amount, and the Third Investment Amount, as applicable, at the Subsequent Closings, are subject to the fulfilment at or before the Closing, and the applicable Subsequent Closing (where indicated), of the following conditions precedent, any one or more of which may be waived in whole or in part by the Investor:

2.4.1. Representations and Warranties. The representations and warranties made by the Company in this Agreement shall have been true and correct when made, and shall be true and correct in all material respects as of the Closing Date.

2.4.2. Covenants. All covenants, agreements, and conditions contained in this Agreement to be performed or complied with by the Company prior to or at the Closing or the applicable Subsequent Closing, shall have been performed or complied with by the Company.

2.4.3. Consents, etc. The Company shall have secured all permits, consents and authorizations that shall be necessary or required lawfully to consummate this Agreement and to issue the Special Share, the Third Closing Shares, and the other securities herein contemplated to the Investor.

2.4.4. Delivery of Documents. All of the documents to be delivered by the Company at the Closing pursuant to this Section 2 shall have been delivered to the Investor. All other applicable actions and transactions set forth in this Section 2 shall have been completed on or prior to the Closing, and prior to each Subsequent Closing, as applicable.

2.4.5. Proceedings and Documents. All corporate and other proceedings in connection with the transactions contemplated by this Agreement shall be reasonably satisfactory in substance and form to the Investor, and the Investor shall have received all such counterpart originals or certified or other copies of such documents as the Investor or its counsel may reasonably request.

2.4.6. No Material Adverse Change.

2.4.6.1. As of the Closing and as of each Subsequent Closing, (i) there shall have been no Material Adverse Change as of such closing following the date of this Agreement and (ii) the Investor shall have received the Company's written confirmation thereof in the Officer Certificate. In the event the Investor claims that the condition set forth in Section 2.4.6 has not been satisfied (notwithstanding the Officer Certificate provided pursuant to Section 2.4.6.1(ii) was provided by the Company (as evidenced by the applicable Officer Certificate), the Investor shall promptly provide notice to the Company within 5 business days of the delivery of such Officer Certificate of its refusal to fund at the Subsequent Closing (as applicable) with a written explanation substantiating the basis for such refusal.

2.4.6.2. If the Subsequent Closing is not consummated by reason of non- satisfaction of the condition set forth in this Section 2.4.6, the Call Option shall immediately and automatically be deemed extinguished and of no further force and effect as of the date of the applicable Officer's Certificate, the Investor shall not be entitled to make any further investments under this Agreement, and the Company shall at any time be entitled to repay the outstanding Loan Amount.

2.4.7. Updating Disclosure Schedule. At least ten (10) business days prior to each Subsequent Closing, the Company shall deliver to the Investor an updated Schedule of Exceptions solely referencing and updating matters that require disclosure in order not to render any representation or warranty in the MAC Representations untrue or incorrect as of the date of such Subsequent Closing. For the avoidance of doubt, the provision of such updated disclosures shall not, in and of itself, preclude the Investor from claiming, in its reasonable discretion, that any matter disclosed therein constitutes or gives rise to an R&W Material Adverse Change.

2.4.8. Milestones. The respective Milestone for such Subsequent Closing shall have been achieved, as determined under this Agreement.

2.4.9. No Injunction. No injunction, judgment, order, decree, statute, law, ordinance, rule or regulation, entered, enacted, promulgated, enforced or issued by any court or other authority of competent jurisdiction or other similar legal restraint or prohibition preventing, enjoining, restraining, prohibiting or making illegal the consummation of the Agreement or any of the transactions contemplated by the Agreement, shall be in effect.

2.5. Conditions to the Closing and the Subsequent Closings of the Company. The obligations of the Company to accept the Principal Loan Amount and the Third Investment Amount and issue the securities contemplated herein to the Investor at the Closing and the Subsequent Closings, as applicable, are subject to the fulfilment at or before the Closing, and the applicable Subsequent Closing, of the following conditions precedent, any one or more of which may be waived in whole or in part by the Company:

2.5.1. Representations and Warranties. The representations and warranties made by the Investor in this Agreement shall have been true and correct when made, and shall be true and correct in all respects as of the Closing, and as of the Subsequent Closing(s).

2.5.2. Payment. The Investor shall pay to the Company the Initial Principal Amount, the Second Principal Amount or the Third Investment Amount, as applicable. For avoidance of doubt, it is clarified that if the Investor is in Default in respect of the Second Closing, and such Default is not fully remedied as set forth in Section 1.8.7, then the Investor shall not be entitled to invest the Third Investment Amount and purchase the Third Investment Shares at the Third Closing. Furthermore, it is clarified that a condition of the Company for the consummation of the Third Closing is the occurrence of the Second Closing, such that, in no event will Investor be entitled to invest the Third Investment Amount, if the Second Closing was not consummated (regardless of the reasoning therefor) and the Second Principal Amount not extended to the Company at the Second Closing.

2.5.3. Performance. The Investor shall have performed and complied with all other agreements, obligations and conditions contained in this Agreement that are required to be performed or complied with by it prior to or at the Closing or the applicable Subsequent Closing, including the execution of each Ancillary Document requiring its execution.

2.5.4. No Injunction. No injunction, judgment, order, decree, statute, law, ordinance, rule or regulation, entered, enacted, promulgated, enforced or issued by any court or other authority of competent jurisdiction or other similar legal restraint or prohibition preventing, enjoining, restraining, prohibiting or making illegal the consummation of the Agreement or any of the transactions contemplated by the Agreement, shall be in effect.

3. Conversion

3.1. Definitions. As used herein:

3.1.1. “**Conversion Price**” means, (A) in respect of the Initial Principal Amount, a price per share of US\$2.26 (subject to appropriate adjustment in the event of any share dividend, share split, combination or other similar recapitalization with respect to the applicable Conversion Shares) reflecting a pre-money valuation of US\$30,000,000 (thirty million USD) as of the Closing on a Fully Diluted Basis (the “**First Conversion Price**”); and (B) in respect of the Second Principal Amount a price per share of US\$2.64 (subject to appropriate adjustment in the event of any share dividend, share split, combination or other similar recapitalization with respect to the applicable Conversion Shares) reflecting a pre-money valuation of US\$45,000,000 (forty five million USD) as of the Closing, on a Fully Diluted Basis (the “**Second Conversion Price**”), assuming the conversion of the Initial Principal Amount and the Second Company CLA; in each case as further reflected in the Capitalization Table.

3.1.2. “**Conversion Shares**” means (i) with respect to the Initial Principal Amount – Series S-1 Preferred Shares of the Company (“**Preferred S-1 Shares**”), and (ii) with respect to the Second Principal Amount – Series S-2 Preferred Shares of the Company (“**Preferred S-2 Shares**”), in each case having the respective rights, preferences and privileges as set forth in the Amended Articles.

3.1.3. “**Exit Event**” means a Deemed Liquidation (as defined in the Amended Articles) or an IPO (as defined in the Articles), excluding an acquisition of the Company by the Investor (or any of its affiliates) (i.e., through the exercise of the Call Option or otherwise).

3.1.4. “**Fully Diluted Basis**” means, the total number of shares of the Company’s outstanding share capital (on an as-converted basis, assuming the implementation of all applicable anti-dilution protections and rights) plus all shares issuable upon the exercise of outstanding options, warrants, or other convertible securities (including the shares issuable upon conversion of the First Company CLAs, but not the Second Company CLAs), whether or not such options, warrants, or other rights are vested or exercisable; all as of the Closing Date, as reflected in the Capitalization Table.

3.2. Conversion upon the Third Investment. To the extent that any part of the Loan Amount has not been repaid or converted pursuant to the terms of this Agreement, in the event of the Third Closing, the entire outstanding balance of the Principal Amount (without any accrued Interest, which, in such event, shall then be deemed waived (i.e. neither converted nor payable) concurrently with the conversion and shall convert into Conversion Shares at the applicable Conversion Price simultaneously with the Third Closing.

3.3. Conversion upon Exercise of Call Option. To the extent that any part of the Loan Amount has not been repaid or converted pursuant to the terms of this Agreement, in the event that the Investor elects to exercise the Call Option (as defined in Section 4.1), the entire outstanding balance of the Principal Amount (without any accrued Interest, which, in such event, shall then be deemed waived (i.e. neither converted nor payable concurrently with the conversion) shall convert into Conversion Shares at the applicable Conversion Price with effect as of immediately prior to the consummation of the transactions contemplated by the Call Option Agreement (as defined in Section 4.1).

3.4. Optional Conversion. Unless previously converted or repaid, and unless otherwise expressly indicated otherwise under this Agreement (e.g., in the event Investor is a Defaulting Investor), the Investor shall at any time be entitled, upon providing the Company with written notice, to immediately convert the entire then outstanding Principal Amount (without any accrued Interest, which, in such event, shall then be deemed waived (i.e. neither converted nor payable) concurrently with the conversion) into Conversion Shares at the applicable Conversion Price. Upon receiving the written instructions of the Investor in accordance with the provisions of this Section 3.5, the Company shall take all the necessary steps required to effectuate the conversion as described herein, and filing the necessary documents to the Israeli Registrar of Companies, all within fourteen (14) days upon receiving Investor's notice.

3.5. Conversion upon an Exit Event. Unless previously converted or repaid, in the event of the consummation of an Exit Event, immediately prior to the closing of the Exit Event, the entire outstanding Principal Amount (without any accrued Interest, which, in such event, shall then be deemed waived (i.e., neither converted nor payable) concurrently with the conversion) shall be automatically converted, at the applicable Conversion Price, into Conversion Shares. Upon receiving the written instructions of the Investor in accordance with the provisions of this Section 3.5, instructing the Company to convert the entire Principal Amount into Conversion Shares, then the Company shall take all the necessary steps required to effectuate the conversion as described herein, and filing the necessary documents to the Israeli Registrar of Companies, all within fourteen (14) days upon receiving the Investor's notice.

3.6. Automatic Conversion – Defaulting Investor. The outstanding Principal Amount (if any) (without any accrued interest which shall be deemed waived (i.e., neither converted nor paid) shall be automatically converted in accordance with and subject to the provisions of Section 1.8.7.

3.7. Notice. For as long as the Loan Amount has not been converted or repaid, the Company shall deliver prior written notice to the Investor of any contemplated Exit Event, as promptly as possible, but in any event at least thirty (30) days prior to the closing of such transaction.

3.8. Automatic Conversion of Second Company CLAs. Immediately prior to, but subject to, the conversion of the outstanding Principal Amount by the Investor, the Second Company CLAs shall be converted according to the terms set forth in the Existing Company CLA Amendments and consistent with this Agreement.

4. **Investor's Call Option**

4.1. **Grant of Call Option.** A condition to the Closing shall be the execution and delivery, effective as of the Closing, of the definitive Call Option Agreement (in the form attached hereto as **Exhibit C** (the "**Call Option Agreement**")) to purchase all of the Option Purchased Securities (as defined therein directly or indirectly through an affiliate of the Investor, free and clear of any encumbrances, all subject to and in accordance with the terms of the Call Option Agreement.

4.2. **[Reserved]**

5. **Warranties of the Company.** The Company hereby represents and warrants to the Investor, and acknowledges that the Investor is entering into this Agreement in reliance thereon, that, except as set forth on the Schedule of Exceptions attached as **Schedule 5** to this Agreement, which exceptions shall explicitly reference the representations hereunder to which they relate thereby qualifying only such Company representation or such other Company representations which are readily apparent to be relevant, and shall be deemed to be representations and warranties as if made hereunder, the following representations are true and complete on the date hereof and shall remain true and complete as of the date of the Closing (except to the extent such representations and warranties refer to a specific date, in which case the Company makes such representations and warranties as of such date), it being noted that, with the exception of the representations in **Sections 5.1, 5.3, 5.5, 5.6 and 5.8**, the representations in this **Section 5** shall be read as if made also with respect to each Subsidiary (as defined below).

5.1. **Organization.** The Company is a private company, duly organized and validly existing under the laws of the State of Israel, and has full corporate power and authority to own, lease and operate its properties and assets and to conduct its business as now being conducted and as proposed to be conducted. A true and correct copy of the Articles of Association of the Company in effect prior to the Closing and prior to the adoption of the Amended Articles (the "**Current Articles**") was delivered to counsel to the Investor. The Company has not taken any action or failed to take any action, which action or failure would preclude or prevent the Company from conducting its business after the Closing in the manner heretofore conducted.

5.2. **General Compliance with Instruments and Law.** The Company is not in violation or default (a) under the Current Articles, or (b) under any material contract, note, indenture, mortgage, lease, purchase order or other instrument, document or agreement to which the Company is a party, or (c) with respect to any law, statute, ordinance, regulation, order, writ, injunction, decree, or judgment of any court or any governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign (any of the foregoing, a "**Law**"). The Company has not received notice regarding any violation of, conflict with, or failure to comply with, any Law. Without derogating from the generality of the foregoing, the Company is not registered under the status and has not been declared by the Registrar as a "violating company" within the meaning of Section 362A of the Israeli Companies Law, and it has not received any notice or warning (in writing or otherwise) concerning any intention of the Registrar to register and/or declare the Company as a "violating company".

5.3. **Authorization and Approvals Related to the Transaction; No Breach.**

5.3.1. Authorization and Approvals Related to the Transaction. The Company has full power and authority to execute and deliver the Transaction Documents and to consummate the transactions and to perform its obligations contemplated thereby. All corporate action on the part of the Company, its shareholders and directors necessary for the authorization, execution, delivery, and performance of all of the Company's obligations under the Transaction Documents and for the authorization, issuance and allotment of the Securities has been taken or will be taken prior to the Closing and each Subsequent Closing as applicable. The Transaction Documents, when executed and delivered by or on behalf of the Company, shall be duly and validly authorized, executed and delivered by the Company, and shall constitute the valid and legally binding obligations of the Company, legally enforceable against the Company in accordance with their respective terms, except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, and other laws of general application affecting enforcement of creditors' rights generally, and (ii) as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.

5.3.2. No Breach. The execution, delivery and performance by the Company of the Transaction Documents shall not conflict with, or result in a breach, violation or default (or event which with the giving of notice or lapse of time, or both, would become a default) of, any of the terms, conditions and provisions of: (i) the Current Articles or the Amended Articles, (ii) any judgment, order, injunction, decree, or ruling of any court or Governmental Entity (as defined below), domestic or foreign, (iii) any agreement, contract, lease, license or commitment to which the Company is a party or by which it is bound, or to which any of its properties is subject, nor shall it result in the imposition of any Lien (as defined below) upon such assets, (iv) any Law applicable to the Company. Such execution, delivery, compliance and consummation, will not (a) give to others any rights, including rights of prior notice, termination, cancellation or acceleration, in or with respect to any material agreement, contract or commitment referred to in this paragraph, or (b) otherwise require the prior notice to, or consent or approval of, any person or entity (including without limitation any Governmental Entity), which prior notice, consent or approval has not heretofore been delivered or obtained. **"Governmental Entity"**, or **"Government Entity"** means any supra-national, national, federal, provincial, state, regional, municipal or local government (including any sub-division, ministry, tribunal, court, body, bureau, agency, public or other authority or instrumentality, department, administrative agency, commission or other authority thereof) or private body exercising any regulatory, taxing, customs, importing or quasi-governmental authority, including but not limited to state-owned or state-controlled entities or enterprises, in each case having jurisdiction or authority.

5.4. Corporate Records. The minute books of the Company contain accurate and complete copies, in all material respects, of the minutes of every meeting (and all written consents in lieu of meetings) of the Company's shareholders and the Board (and any committee thereof). There are no applications or filing outstanding which would reasonably be expected to adversely affect such documents or the corporate status of the Company (except where such applications or filings can be remediated with minimal cost and effort). No material resolutions (including, for the avoidance of any doubt, resolutions regarding the grant of options, issuance of shares or any other securities) have been passed, enacted, consented to or adopted by the Board (or any committee thereof) or shareholders of the Company, except for those contained in such minute books. The corporate records of the Company have been maintained in accordance with all applicable statutory requirements.

5.5. Subsidiaries. Except as set forth in Section 5.5 of the Schedule of Exceptions, the Company does not own or control any equity security or other interest of any other corporation, limited partnership or other business entity (“**Subsidiary**”). Each Subsidiary listed in Section 5.5 of the Schedule of Exceptions (A) is duly organized and validly existing under the Laws of the state of its incorporation, is active and has paid all its fees, and has full corporate power and authority to own, lease and operate its properties and assets and to conduct its business as now being conducted and as proposed to be conducted; and (B) is a wholly-owned (directly or indirectly) subsidiary of the Company and no third party, directly or indirectly, owns or has any rights with respect to, any equity security or other interest whatsoever in any of the Subsidiaries. The Company is not a participant in any joint venture, partnership or similar arrangement.

5.6. Capitalization.

5.6.1. Share Capital.

5.6.1.1. Immediately prior to the Closing, the authorized share capital of the Company shall consist of NIS 200,000 divided into: (a) 13,800,000 Ordinary Shares, par value NIS 0.01 each - (i) 2,318,094 of which shall be issued and outstanding; (ii) 1,500,220 of which have been reserved for issuance to employees, consultants, officers, or directors of the Company pursuant to the ESOP and 595,360 of which shall be available for future issuances of options thereunder; (b) 1,400,000 Series A Shares, par value NIS 0.01 each, 1,060,179 of which are issued and outstanding, and 100,000 Series A-1 Shares, par value NIS 0.01 each, 41,849 of which are issued and outstanding; (c) 2,500,000 Series B Shares, par value NIS 0.01 each, 1,363,540 of which are issued and outstanding, and (d) 2,200,000 Series B-1 Shares, par value NIS 0.01 each, 2,128,133 of which are issued and outstanding.

5.6.1.2. Simultaneous with the Closing and as of immediately thereafter, the authorized share capital of the Company shall consist of NIS 391,648 divided into: (a) 21,062,619 Ordinary Shares, par value NIS 0.01 each: (i) 2,488,454 of which shall be issued and outstanding; (ii) 1,500,220 of which have been reserved for issuance to employees, consultants, officers, or directors of the Company pursuant to the ESOP and 595,360 of which shall be available for future issuances of options thereunder; (b) 1,400,000 Series A Shares, par value NIS 0.01 each, 948,581 of which are issued and outstanding; (c) 100,000 Series A-1 Shares, par value NIS 0.01 each, 41,849 of which are issued and outstanding; (d) 2,500,000 Series B Shares, par value NIS 0.01 each, 1,363,540 of which are issued and outstanding; (e) 2,200,000 Series B-1 Shares, par value NIS 0.01 each, 2,069,371 of which are issued and outstanding; (f) 1,621,000 Series B-2 Shares, par value NIS 0.01 each, 1,620,156 of which are issued and outstanding; (g) 1,000,000 Series B-3 Preferred Shares par value NIS 0.01 each, none of which are issued and outstanding; (h) 3,042,000 Series B-4 Preferred Shares par value NIS 0.01 each, none of which are issued and outstanding; (i) 2,212,524 Series S-1 Preferred Shares par value NIS 0.01 each none of which are issued and outstanding; (j) 2,271,458 Series S-2 Preferred Shares par value NIS 0.01 each none of which are issued and outstanding; (k) 1,755,219 Series S-3 Preferred Shares par value NIS 0.01 each none of which are issued and outstanding; and (f) one Special Share, par value NIS 0.01, which is issued and outstanding.

5.6.2. **Exhibit B** attached hereto (the “**Capitalization Table**”) accurately and completely reflects the Company's capitalization on a Fully Diluted Basis, setting forth the number and class or series of shares held by each of the Company's shareholders (all of which are the lawful owners, beneficially and of record, of all of the issued and outstanding share capital of the Company and of all rights thereto) and holders of options to purchase shares of the Company, and the number of reserved and granted or promised options, warrants, and all other rights to subscribe for, purchase or acquire from the Company any share capital of the Company, immediately prior to, and immediately following, the Closing assuming the investment of the entire Initial Principal Amount, Second Principal Amount and Third Investment Amount. All issued and outstanding shares were upon their issuance duly authorized and validly issued, fully paid up, non-assessable, and issued in accordance with applicable securities Laws and no party has any Lien on such shares or anti-dilution rights with respect to such prior issuances.

5.6.3. Simultaneously with the Closing, the number of ESOP Shares issuable under the ESOP shall be 2,095,850 of which 1,500,220 ESOP Shares will have been allocated under the Company's ESOP Plan and of which 595,630 shall constitute Free ESOP Shares which remain free for future allocation thereunder and shall represent the Free ESOP Percentage. No employee, officer, director or consultant has options or any other securities that provide for accelerated vesting upon a change of control transaction or termination of employment or service or any other event. The Company has not adjusted or amended the exercise price of any share options previously awarded, whether through amendment, cancellation, replacement grant, re-pricing, or any other means. Schedule 5.6.3 of the Schedule of Exceptions sets forth for each outstanding or promised option or equity award: (i) the name of the holder thereof; (ii) the exercise price, (iii) the vesting commencement date and vesting schedule (and any acceleration terms, if any); (iii) whether each such option or award was granted and is subject to tax pursuant to Section 3(i) or Section 102 of the Israeli Income Tax Ordinance [New Version], 1961 (and specifying the subsection of Section 102) or tax regimes of other jurisdictions.

5.6.4. Other than as set forth on the Capitalization Table, and except as may be granted pursuant to this Agreement and the Ancillary Documents, there are no share capital, anti-dilution rights or preemptive rights (except in each case under the Company's Current Articles), convertible securities, outstanding warrants, options or other rights or promises to subscribe for, purchase or acquire from the Company or, to the Company's knowledge, from security holders of the Company, any share capital or other securities of the Company, and there are no undertakings, promises, commitments, written or oral, contracts or binding commitments of the Company providing for the issuance of, or the granting of rights to acquire from the Company or, to the Company's knowledge, from security holders of the Company, any share capital or other securities of the Company or under which the Company is, or may become, obligated to issue any of its securities or, to the Company's knowledge, any of the Company's security holders is obligated to transfer any of its securities in the Company. Except as set forth in Section 5.6.4 of the Schedule of Exceptions, there are no agreements or other arrangements that provide for acceleration or other changes in the vesting provision or other terms of any options and/or warrants as the result of any merger, sale of shares of the Company, change in control or other similar transaction involving the Company or as a result of the transactions contemplated under this Agreement, or upon termination of employment or service of any holder thereof or upon any other event.

5.6.5. Except as required pursuant to the Investors' Rights Agreement, the Company is not under any obligation, and has not granted any rights, to register any of the Company's presently outstanding securities or any of its securities that may hereafter be issued, and to the Company's best knowledge no shareholder of the Company has entered into any agreement with respect to the voting or transfer of equity securities of the Company.

5.6.6. Since its incorporation, there has been no declaration or payment by the Company of dividends, or any distribution by the Company of any assets of any kind to any of its shareholders in redemption of or as the purchase price for any of the Company's securities. The Company is not under any obligations (contingent or otherwise) to purchase, redeem or otherwise acquire any shares of its share capital or any interest therein or to pay any dividend or make any other distribution in respect thereof. There are no outstanding or authorized share appreciation rights, phantom shares, or similar rights with respect to the Company or to the Company's knowledge with respect to a shareholder of the Company.

5.6.7. The rights, preferences and privileges of the Securities are as stated in the Amended Articles and Investors' Rights Agreement (as each may be amended pursuant to the provisions hereof). When issued in compliance with the provisions of this Agreement and the Amended Articles, the Securities will be (i) validly issued, fully paid and non-assessable, (ii) issued in compliance with all applicable securities Laws, and (iii) free of any mortgage, pledge, lien, royalty obligations, conditional sale agreement, security agreement, encumbrance or other charge (collectively, "**Liens**"), subject to any restrictions on transfer under applicable securities Laws, the Amended Articles and the other Ancillary Documents.

5.7. Governmental Consents and Filings. Except for routine filings with the Registrar regarding the issuances of securities as contemplated hereby, no consent, approval, order, or authorization of, or registration, qualification, designation, declaration or filing with, any federal, state or local Governmental Entity (including but not limited to the IIA) is required on the part of the Company in connection with the consummation of the transactions contemplated by this Agreement and the Ancillary Documents.

5.8. Offering Valid. The offer, sale, issuance and delivery of the Securities under this Agreement will be exempt from the registration and prospectus requirements of the Israeli securities Laws, and will have been registered or qualified (or are exempt from registration and qualification) under the registration, permit or qualification requirements of all the applicable securities Laws of Israel. Without derogating from the generality of the foregoing, the Company has taken or will, prior to Closing, take all action necessary to be taken to ensure compliance with Section 15A of the Israeli Securities Law, 5728-1968, and that there were less than 35 offerees, in the aggregate, excluding qualified investors as defined in such law, to whom the Company and any of its respective representatives made an offering of any securities of the Company in the past twelve months.

5.9. Agreements.

5.9.1. Except for this Agreement and (as of the Closing) the Ancillary Documents, and except as set forth in Section 5.9 of the Schedule of Exceptions, there are no agreements, understandings, instruments, contracts, proposed transactions, judgments, orders, writs or decrees in force to which the Company is a party or by which it or any of its property is bound that involve or may involve (i) obligations (contingent or otherwise) of, or payments to, the Company in excess of \$50,000 each or in the aggregate, (ii) the license of any patent, copyright, trade secret or other proprietary right or Intellectual Property to or from the Company, (iii) provisions restricting or affecting the development, manufacture or distribution of the Company's products or services, (iv) indemnification by the Company with respect to infringements of proprietary rights, (v) restrictions or limitations on the Company's right to do business or compete in any area or any field with any person, firm or company, (vi) the sale or purchase of goods or services, (vii) the leasing of any real property or (viii) any other agreement material to the Company (collectively, the "**Material Agreements**"). Except as set forth in Section 5.9.1 of the Schedule of Exceptions, the Company is not and has never been a party to, as a contractor or subcontractor, and is not making and has never made, any bid or proposal with respect to, any contract with any government or Governmental Entity.

5.9.2. True and correct copies of all of the Material Agreements (and a summary description of any oral agreements) have been made available to the Investor. The Company is not a guarantor or indemnitor of any indebtedness of any other person, firm or corporation and has not otherwise agreed to become directly or contingently liable for any obligation of any person, firm or corporation, nor is any person, firm or corporation a guarantor of any indebtedness of the Company. The Company is not party to and is not bound by any contract, agreement or instrument, or subject to any restriction under its governing documents that adversely affects its business as now conducted or as presently proposed to be conducted, its properties and assets or its financial condition. Each Material Agreement is a legal, valid and binding agreement of the Company, enforceable by or against the Company in accordance with its terms, and in full force and effect, and each Material Agreement is, to the Company's knowledge, a valid and binding agreement of the other parties thereto. The Company has no knowledge of the invalidity of or grounds for rescission of any Material Agreement, or of any intention to terminate any such agreements, and to the Company's knowledge no third party is in default under any such agreement and there is no Lien over all or any part of any such agreement. To the Company's knowledge, the Material Agreements will continue to be legal, valid, binding, enforceable, and in full force and effect on identical terms following the consummation of the transactions contemplated hereby. The Company is in compliance in all material respects with the provisions of the Material Agreements, and the Company has no reason to believe that it will not be able to fulfil fully and in a timely manner all of its obligations under the Material Agreements.

5.10. Obligations to Related Parties. Except as set forth in Section 5.10 of the Schedule of Exceptions, no officer, director, or shareholder of the Company (nor any affiliate of such person or entity) has or has had (a) any direct or indirect interest in any person or entity which is affiliated with or has a business relationship with the Company, or (b) a beneficial interest in any material contract or agreement to which the Company is a party or by which it may be bound or affected, except for normal compensation for services performed as employees, duly approved by the Board of Directors or shareholders of the Company in accordance with applicable Law. Except as set forth in Section 5.10 of the Schedule of Exceptions, no employee, shareholder, officer, or director of the Company is indebted to the Company, nor is the Company indebted (or committed to make loans or extend or guarantee credit) to any of them. Each related-party transaction set forth in Section 5.10 of the Schedule of Exceptions was duly approved by the appropriate organ(s) of the Company and is on arm's-length terms, and neither the Company nor any other party is in material breach or default thereunder. To the Company's knowledge, none of the Company's directors, officers, employees, or service providers owns any material interest in any entity that competes with the Company. Except as set forth in the Current Articles, no shareholder of the Company (or any other party) has been granted veto or other consent or special voting rights with respect to any action or resolution of the Company.

5.11. Financial Statements; Indebtedness.

5.11.1. A true copy of (i) the audited consolidated financial statements of the Company dated as of December 31, 2023 and (ii) the unaudited but reviewed consolidated balance sheets, trial balance, and profit and loss accounts of the Company as of December 31, 2024, is attached to 5.11 of the Schedule of Exceptions (the “**Financial Statements**”). In addition, a list of each material payment (exceeding US\$ 20,000) which has been paid by the Company since December 31, 2024 (the “**Financials Date**”) is listed separately in Section 5.11 of the Schedule of Exceptions.

5.11.2. The Financial Statements have been prepared in accordance with generally accepted accounting principles in Israel (“**GAAP**”) applied on a consistent basis throughout the periods indicated. The Financial Statements fairly present in all material respects the financial condition and operating results of the Company as of the dates, and for the periods, indicated therein.

5.11.3. As of the Closing, the Company has no material obligations, debts or liabilities, whether accrued, absolute or contingent, other than the obligations, debts and liabilities (i) disclosed in the Financial Statements; (ii) disclosed in Section 5.11.3 of the Schedule of Exceptions; or (iii) obligations incurred in the ordinary course of business since the date of the Financial Statements and not individually or in the aggregate material. Without derogating from the generality of the foregoing: (i) the Company is not a guarantor of any debt or obligation of another, nor has the Company given any indemnification, loan, security or otherwise agreed to become directly or contingently liable for any obligation of any person, and no person has given any guarantee of, indemnity for, or security for, any obligation of the Company; (ii) the Company does not have any debt for borrowed funds or pursuant to credit arrangements; and (iii) the Company has not undertaken to make and is not a party to any agreement providing for, any carve-out mechanism, bonus arrangement or any other obligation by the Company to make any payments to existing shareholders, service providers, employees or other third parties, in connection with an M&A Event or an IPO (as such terms are defined in the Amended Articles). Except as set forth in Section 5.11.3 of the Schedule of Exceptions, the Company has no monetary obligations, debts or liabilities, whether accrued, absolute or contingent towards any of the Founders (as such term is defined in the Amended Articles).

5.12. Changes. Since the Financials Date, there has not been, except as set forth in Section 5.12 of the Schedule of Exceptions:

5.12.1. Any Material Adverse Change;

5.12.2. Any resignation or termination of any executive officer, key employee or group of employees of the Company;

5.12.3. Any material damage, destruction or loss, whether or not covered by insurance, with respect to the properties and assets of the Company;

- 5.12.4. Any waiver or compromise by the Company of a valuable right or of a material debt owed to it;
- 5.12.5. Any loans, advances or capital contributions made by the Company to any shareholder, employee, executive officer or director of the Company, other than advances made in the ordinary course of business;
- 5.12.6. Any material change in any compensation arrangement or agreement with any employee, executive officer, director or shareholder;
- 5.12.7. Any declaration or payment of any dividend or other distribution of the assets of the Company;
- 5.12.8. Any labour organization activity related to the Company;
- 5.12.9. Any debt incurred, assumed or guaranteed by the Company, or any Lien incurred, created or assumed on any of the Company's assets or properties, except those for immaterial amounts and for current liabilities incurred in the ordinary course of business;
- 5.12.10. Any sale, mortgage, pledge, transfer, lease, license or other assignment of any Company Intellectual Property, except for licenses in the ordinary course of business;
- 5.12.11. The execution of any agreement that would be classified as a Material Agreement, or any material change to any Material Agreement or to the Company's governing documents;
- 5.12.12. Any total or material partial loss of the business of any substantial or material customers or suppliers of the Company;
- 5.12.13. Any sale, mortgage, pledge, transfer, lease or other assignment of any of its material tangible assets outside of the ordinary course of business;
- 5.12.14. Any change in the accounting methods used by the Company; or
- 5.12.15. Any arrangement or commitment by the Company to do any of the acts described in the foregoing list.
- 5.13. Real and Personal Property.
- 5.13.1. Real Property. Except as set forth in Section 5.13.1 of the Schedule of Exceptions, the Company does not own or lease any real property.
- 5.13.2. Personal Property. Except as set forth in Section 5.13.2 of the Schedule of Exceptions, the Company does not own or lease any personal property.
- 5.13.3. Sufficiency and Condition of Property. Except as set forth on Section 5.13.3 of the Schedule of Exceptions, the Company owns, or otherwise has (and is in compliance with) the valid leasehold interest providing sufficient and legally enforceable rights to use, all of the property and assets necessary or otherwise material to the conduct of its respective business as conducted immediately prior to the date hereof and the Closing Date, free and clear of any Liens, other than (i) statutory Liens for current taxes not yet due or payable or for future taxes or other governmental or regulatory assessments which are not delinquent, and in each case, for which appropriate reserves have been maintained in accordance with IFRS; (ii) mechanic's, carrier's, worker's, material man's, warehouse man's, supplier's, vendor's Liens; or (iii) similar statutory Liens arising or incurred in the ordinary course of business with respect to liabilities that are not yet due and payable or being contested in good faith (collectively "**Permitted Liens**"). Such property and assets are sufficient for the continued operation of the business of the Company as currently conducted and as currently proposed by the Company to be conducted at the Closing. The Company has good and valid title to all assets reflected on the Financial Statements, free and clear of all Liens. Except as set forth on Section 5.13.3 of the Schedule of Exceptions, such assets are in good operating condition and repair, are suitable for their use and have been reasonably maintained consistent with standards generally followed in the industry. No tangible asset owned by the Company is shared by the Company with any other person and the Company does not depend upon or require for its business any tangible assets, facilities or services owned or supplied by any related party.

5.14. Intellectual Property.

5.14.1. General. The Company owns or has (as is in compliance with) the exclusive, irrevocable, unrestricted, worldwide, perpetual, and (to the extent relevant) assignable right to use, pursuant to a written license, sublicense, or other agreement, free and clear of any Lien, third-party rights, commissions, and royalties, all Intellectual Property currently used or necessary for the operation of the business of the Company as presently conducted and as presently proposed to be conducted (collectively, “**Company Intellectual Property**”). Except for readily and commercially available off-the-shelf software (acquired on standard terms), no other third-party Intellectual Property of any kind is required by the Company to conduct its business, as presently conducted and as presently proposed to be conducted.

5.14.2. No Infringement. (A) To its knowledge, the Company has not interfered with, infringed upon, misappropriated, or otherwise come into conflict with any Intellectual Property rights of any third party, nor is the Company aware of any facts or circumstances that would reasonably be expected to cause the conduct of its business (and the use of the Company Intellectual Property), as presently conducted and as presently proposed to be conducted, to interfere with, infringe upon, misappropriate, or otherwise come into conflict with any Intellectual Property rights of any third party; (B) the Company has never received any charge, complaint, claim, demand, or notice alleging any such interference, infringement, misappropriation, or violation (including any claim that the Company must license or refrain from using any Intellectual Property of any third party), and, to the Company’s knowledge, there is no basis for any such claim; (C) to the Company’s knowledge, no third party has interfered with, infringed upon, misappropriated, or otherwise come into conflict with any Company Intellectual Property; and (D) neither the Company nor, to the Company’s knowledge, any officer, director, employee, or consultant has received any communication alleging that the Company’s use of the Company Intellectual Property, or conduct of its business, violates any Intellectual Property rights of a third party.

5.14.3. Ownership of IP. Section 5.14.3 of the Schedule of Exceptions identifies each: (i) patent, trademark, copyright, domain name, or registration which has been issued to the Company with respect to any of the Company Intellectual Property; (ii) pending patent, trademark, or copyright application or application for registration which the Company has made with respect to any of the Company Intellectual Property; (iii) trade name or unregistered trademark used by the Company; and (iv) license, agreement, or other permission the Company has received from any third party with respect to any Intellectual Property (other than off-the-shelf software), or granted to any third party with respect to any of the Company Intellectual Property. The Company has made available to the Investor correct and complete copies of all such patents, copyrights, trademarks, registrations, applications, licenses, agreements, and permissions (as amended to date) and has made available correct and complete copies of all other written documentation evidencing ownership and prosecution (if applicable) of each such item. Except as set forth in Section 5.14.3 of the Schedule of Exceptions, (i) the Company possesses all right, title, and interest in and to each item of Company Intellectual Property, free and clear of any Security Interest, Lien, license, royalty, commission, or similar arrangement; (ii) no item of Company Intellectual Property is subject to any outstanding injunction, judgment, order, decree, ruling, or charge; (iii) no action, suit, proceeding, hearing, investigation, charge, complaint, claim, or demand is pending or, to the Company’s knowledge, threatened in writing, that challenges in a material manner the legality, validity, enforceability, use, or ownership of the Company Intellectual Property; (iv) the Company has not agreed to indemnify any person for or against any interference, infringement, misappropriation, or other conflict with respect to any Company Intellectual Property; and (v) the Company has not granted, and there are no outstanding, any options, licenses, or agreements of any kind relating to the Company Intellectual Property, nor is the Company bound by or a party to any option, license, or agreement of any kind with respect to any Company Intellectual Property.

5.14.4. Founders. All Intellectual Property developed by each Founder prior to the incorporation of the Company and relating to the Company's business (as conducted and as proposed to be conducted) (the "**Founder IP**") was duly assigned by such Founder to the Company at or following the Company's incorporation, free and clear of any Security Interest. To the Company's knowledge, all declarations and documents required by the relevant authorities in order to register such assignments were duly submitted. Neither the Founders nor, to the Company's knowledge, any other party has any interest in or rights to any of the Founder IP. Section 5.14.4 of the Schedule of Exceptions sets forth any concurrent employment or third-party consulting relationship the Founder had during the period in which the Founder IP was developed; any such relationship did not result in any third-party claim to the Founder IP.

5.14.5. Service Providers. All current and former Service Providers of the Company (including employees, consultants, contractors, and similar) have expressly and irrevocably waived the right and/or any claim to receive compensation (in addition to the compensation paid to them under their respective employment, service, or consulting agreements) in connection with "Service Inventions" under Section 134 of the Israeli Patent Law of 1967, or any other similar provision under applicable Laws of any jurisdiction.

5.14.6. Protection of IP Rights and Trade Secrets. The Company takes all actions that are reasonable and customary in its industry to maintain and protect each item of Company Intellectual Property. The Company has complied in all material respects with the requirements of, and has filed all material documentation required by, all applicable patent and trademark offices (or equivalent authorities) in which its patent or trademark applications were filed. All material confidential information of the Company (and all third-party confidential information disclosed to the Company under a duty of confidentiality) is continuously maintained in confidence by the Company through the use of reasonable precautions to protect and prevent its disclosure to unauthorized parties. All payments due prior to the date of this Agreement to any authority for maintaining the effectiveness or validity of such patents (or applications) have been fully and timely paid in the jurisdictions the Company has selected as necessary to conduct its business as currently conducted.

5.14.7. Open Source Materials. Section 5.14.7 of the Schedule of Exceptions identifies open source software used by the Company. The Company has not embedded or used any open source, copyleft, or community-source code, or any code that is subject to a similar licensing or distribution model (including libraries or code licensed under the General Public License (GPL), Lesser General Public License (LGPL), or similar license arrangement) (“**Open Source Materials**”) in any of its products (whether generally available or in development) in a manner that would: (i) require disclosure or distribution in source code form of any Company product; (ii) require the licensing of any product of the Company for the purpose of making derivative works; (iii) impose any restriction on the consideration to be charged for the distribution of any product of the Company; (iv) create, or purport to create, obligations for the Company with respect to any of the Company Intellectual Property; or (v) impose any other material limitation, restriction, or condition on the Company’s right to use or distribute any Company Intellectual Property.

5.14.8. Government Funding. Except as set forth in Section 5.14.8 of the Schedule of Exceptions, no Israeli or foreign government funding (including from the Israel Innovation Authority), no facilities of an Israeli or foreign university or government-owned institution, college, or other educational institution or research centre, and no funding from any third party were used in the development of any Company Intellectual Property. To the Company’s knowledge, no current or former employee, consultant, or independent contractor of the Company who was involved in, or who contributed to, the creation or development of any Company Intellectual Property, has performed services for or was an employee of any Governmental Entity or government-owned institution while also performing services for the Company during the period in which such Company Intellectual Property was invented, created, or developed. The Company has not received any written notice of a claim by any such entity or institution to any rights in the Company Intellectual Property. Neither the Company, any of the Founders nor any of the Company employees or service providers have used facilities or resources of a university, college, other educational institution, multinational, bi-national or international organization, research grants or research centre in the development of the Company Intellectual Property.

5.15. Product Warranty, Liability, Corrective Action. Except as set forth in Section 5.15 of the Schedule of Exceptions, with respect to any product sold, developed, manufactured, licensed, leased or delivered by the Company (collectively, the “**Company Products**”) the Company provides no guaranty, warranty or other indemnity beyond the applicable terms and conditions of sale granted by the Company in the ordinary course of business or beyond obligations under applicable Law. Except as set forth in Section 5.15 of the Schedule of Exceptions, (a) no third party (including any Governmental Entity or customer) has given written notice to the Company that any Company Product is unsafe or fails to meet any product warranty or any standards promulgated by Law, by any Governmental Entity or contract applicable to such customer, which claim resulted in a material liability to the Company, and (b) the Company has no material liability arising out of any defect in, or breach of warranty with respect to, any Company Products or arising out of any material product liability, damages or injury to individuals or property in connection with the distribution, ownership, possession or use of any Company Products. Except as set forth in Section 5.15 of the Schedule of Exceptions, each Company Product conforms and has been in conformity, in each case, in all material respects, with the respective specifications for such Company Product, the applicable contractual commitments with respect to such Company Product and the Laws applicable to such Company Product. Except as set forth in Section 5.15 of the Schedule of Exceptions, no Company Product has been the subject of a recall, withdrawal, suspension, seizure or discontinuance (other than for commercial or other business reasons not arising in connection with any actual or alleged defect or violation of warranty, contract or applicable Law) by the Company (whether voluntarily or otherwise), and none of such actions are under consideration by the Company with respect to any such products. Except as set forth in Section 5.15 of the Schedule of Exceptions, the Company has not committed any act, and there has been no omission by the Company, that has resulted or, to the best knowledge of the Company, would reasonably be expected to result, in any material product liability or material liability for breach of warranty (whether covered by insurance or not) on the part of any of the Company, with respect to Company Products.

5.16. Litigation. There is no claim, suit, litigation, arbitration, mediation, proceeding, or investigation pending or, to the Company's knowledge (including where there is written notice of a threat), threatened against the Company or any of its properties or assets or against any officer, director, or key employee of the Company in his or her capacity as such (including, without limitation, (i) any claim relating to alleged material defects in, or for the repair or replacement of, any of the Company Products or the failure of any such Company Product to meet its specifications, applicable contractual commitments, or relevant Laws, and (ii) any claim involving the prior employment of any of the Company's employees, their use in connection with the Company's business of any information or techniques allegedly proprietary to a former employer, or their obligations under any agreement with a former employer), nor is there any action or claim that questions the validity or would hinder the enforceability of this Agreement or any of the Ancillary Documents or the transactions contemplated hereby or thereby. To the Company's knowledge, there is no event or condition on the basis of which any such claim, suit, litigation, proceeding, or investigation might properly be instituted. The Company is not subject to the provisions of any order, writ, injunction, judgment, or decree of any Governmental Entity, nor is there any action or suit by the Company now pending or threatened against others, and the Company does not intend to initiate any such action or suit.

5.17. Tax. The Company has filed or has obtained presently effective extensions with respect to all Israeli and foreign tax returns which are required to be filed by it, such returns are complete and accurate and all taxes shown thereon to be due have been timely paid. Income tax returns of the Company have not been audited by any tax authority. The Company has not made any elections under applicable Laws (other than elections that related solely to methods of accounting, depreciation or amortization) that have an adverse effect on the Company, its financial condition, its business as presently conducted or any of its properties or assets. The Company is not currently liable for any tax (whether income tax, capital gains tax, or otherwise) that became due and was not duly paid.

5.18. Employees.

5.18.1. Section 5.18.1 of the Schedule of Exceptions sets forth a list of (I) all current employees, consultants and independent contractors of the Company, together with each such person's position, initial date of engagement, salary, and any other compensation payable to such person (including, without limitation, compensation payable pursuant to bonus, deferred compensation or commission arrangements), and (II) each contract, commitment, arrangement, whether oral or written, relating to the employment of, or the performance of services by, any employee, consultant, or independent contractor. The Company is not bound by or subject to (and none of its assets or properties is bound by or subject to) any written or oral, express or implied, contract, commitment or arrangement with any labour union, and no labour union has requested or sought to represent any of the employees, representatives or agents of the Company. There is no strike or other labour dispute involving the Company pending, or to the best of the Company's knowledge, threatened, nor is the Company aware of any labour organization activity involving their employees. Except as set forth in Section 5.18.1 of the Schedule of Exceptions, the employment of each officer and employee of the Company is terminable at the will of the Company, subject to a prior notice not exceeding 30 days, without any additional obligation or payment. The Company has complied in all material respects with all applicable equal employment opportunity, health and safety, and other Laws, policies, procedures and arrangements related to employment.

5.18.2. Notwithstanding the generality of the foregoing, (i) the engagement with the Company of all of the Company's employees is "at will" subject to the termination notice provisions included in their employment agreements or applicable Law; (ii) the Company's obligations to provide severance pay and pension to its employees under applicable Law are fully funded or accrued on the Financial Statements; (iii) the Company has no knowledge of any circumstance that could give rise to any valid claim by a current or former employee for compensation on termination of employment (beyond the statutory severance pay to which employees are entitled); (iv) all amounts that the Company is legally or contractually required either to deduct, transfer, withhold or pay, from its employees' salaries have been duly deducted, transferred, withheld and paid, and Company does not have any outstanding obligation to make any such deduction, transfer, withholding or payment (including without limitation with respect to those employees engaged by the Company at any time as consultants or independent contractors); and (v) the Company is in compliance in all material respects with all applicable legal requirements and contracts relating to employment, employment practices, wages, bonuses and other compensation matters and terms and conditions of employment related to its employees.

5.18.3. The Company has made provision in the Financial Statements, and at all times since the dates thereof, in accordance with GAAP for its employees on account of wages, severance pay, pension funds, redemption of annual leave or otherwise, whether required by Law or pursuant to an agreement, with respect to the period until the date hereof. The Company is not subject to, nor do any of its employees benefit from, any collective bargaining agreement, other than by way of any applicable employment Laws and extension orders (*tzavei harchava*) applicable to companies in the Company's field of business or applicable to all employers in Israel.

5.18.4. Other than the ESOP and standard payments for educational funds (*Keren Hishtalmut*), managers' insurance schemes and for pension funds, the Company does not maintain or contribute to any employee benefit plan, pension plan, share option, bonus or incentive plan, severance pay policy or agreement, deferred compensation agreement, or any similar plan or agreement.

5.18.5. To the knowledge of the Company, no employee of the Company, nor any consultant with whom the Company has contracted, is in violation of any term of any employment contract, proprietary information agreement or any other agreement relating to his engagement by the Company, including but not limited to the right of any such individual to be employed by, or to contract with, the Company because of the nature of the business conducted by the Company; and the continued employment by the Company of its present employees, and the performance of the Company's contracts with its independent contractors, will not result in any such violation. The Company has not received notice alleging that any such violation has occurred.

5.18.6. No employee of the Company has been granted the right to continued employment by the Company or to any material compensation following termination of employment with the Company. To the Company's best knowledge, no executive officer, key employee or group of employees intends to terminate his, her or their employment with the Company. The Company does not have a present intention to terminate the employment of any executive officer, key employee or group of employees. Other than as set forth on Section 5.18.6 of the Schedule of Exceptions, each former key employee whose employment was terminated by the Company has entered into an agreement with the Company providing for the full release of any claims against the Company or any related party arising out of such employment.

5.19. Permits. Attached as Section 5.19 of the Schedule of Exceptions is a list of all of the franchises, permits, licenses, regulatory approvals, and any similar authority necessary for the conduct of the Company's business as now being conducted and as presently proposed to be conducted, the lack of which could adversely affect the business, properties, prospects or financial condition of the Company ("**Permits**"). Except as set forth in Section 5.19 of the Schedule of Exceptions, the Company has obtained all such Permits, has maintained them in full force and effect, and is not aware of any circumstances that could lead to their rescindment. The Company is not in default under any such Permits.

5.20. Regulatory Matters.

5.20.1. The Company has conducted all activities relating to the research, development, testing, manufacturing, labelling, storage, distribution, marketing, and sale of Company Products in compliance in all material respects with all applicable Health Care Laws and the requirements of any Governmental Entity (including the FDA), the Israeli Ministry of Health, and any relevant European regulatory authority). Neither the Company, nor, to the Company's knowledge, any third party acting on the Company's behalf, has received any written notice, warning letter, untitled letter, inspectional observation, or other communication from any Governmental Entity or institutional review board alleging a material lack of compliance with any Health Care Law or any Company Product registration, approval, authorization, license, or other material permit required to exploit (meaning develop, manufacture, distribute, market, or sell) any Product ("**Product Registration**"). Each Product Registration is valid, in full force and effect, and owned or controlled by the Company. There is no information or event that the Company is aware of that, would reasonably be expected to lead any Governmental Entity to withdraw, suspend, or materially limit any Product Registration. In this Agreement, "**Health Care Laws**" means all applicable Laws, rules, regulations, and requirements (including those administered by the FDA, the Israeli Ministry of Health, European regulatory authorities, or other Governmental Authorities) that govern or relate to the development, manufacture, testing, labelling, marketing, sale, or reimbursement of products intended for human use, including any applicable anti-kickback, fraud and abuse, privacy, data protection, clinical trial, good manufacturing practice, and product clearance or approval Laws.

5.20.2. No Action (including any investigation, suit, or proceeding) is pending or, to the Company's knowledge, threatened against the Company, or, to the Company's knowledge, any third party acting on the Company's behalf, relating to any actual or alleged violation of any Health Care Law. The Company has not received any written communication indicating that any Company Product has been or may be recalled, withdrawn, suspended, or discontinued (voluntarily or otherwise), nor is the Company subject to any outstanding order, writ, injunction, judgment, or decree of any Governmental Entity relating to the Company Products. To the Company's knowledge, none of the clinical investigators, contract research organizations, or other service providers involved in the development, manufacture, or clinical testing of any Company Product has been disqualified, restricted, or otherwise sanctioned by the FDA, the Israeli Ministry of Health, any European regulatory authority, or any other applicable Governmental Entity.

5.20.3. All studies, tests and preclinical and clinical trials conducted by or on behalf of the Company were and, if still pending, are, in all material respects, being conducted in accordance with experimental protocols, procedures and controls pursuant to accepted professional scientific standards, applicable Laws for products or product candidates comparable to those being developed by the Company and all applicable Laws and all franchises, grants, authorizations, licenses, permits, easements, consents, certificates and orders of any Governmental Entity or self-regulatory body required for the conduct of such trials. The descriptions of, protocols for, and data and other results of, the studies, tests, development, and trials conducted by or on behalf of the Company that have been furnished or made available to the Investor are accurate and complete. The Company is not aware of any studies, tests, development or trials the results of which reasonably call into question the results of the studies, tests, development and trials conducted by or on behalf of the Company, and the Company has not received any notices or correspondence from any Governmental Entity or any institutional review board or comparable authority requiring the termination, suspension or material modification of any studies, tests, preclinical development or clinical trials conducted by or on behalf of the Company. The Company has not received any notices or correspondence from any Governmental Entity requiring the termination, suspension or material modification of any studies, tests or preclinical or clinical trials conducted by or on behalf of the Company. Section 5.20.3 of the Schedule of Exceptions lists the clinical and pre-clinical studies conducted by the Company prior to the date hereof.

5.20.4. The applications, notifications, submissions, data, and other information provided by or on behalf of the Company to any Governmental Entity in connection with obtaining or maintaining Product Registrations were, at the time of submission, true, accurate, and complete in all material respects and did not contain any material untrue statement or omit any material fact necessary to make the statements made not misleading. Neither the Company, nor, to the Company's knowledge, any officer, director, employee, or agent of the Company, has committed any act or made any statement that could reasonably be expected to result in criminal or civil liability or lead any Governmental Entity to impose sanctions, exclusions, suspensions, debarments, or penalties related to any Health Care Law.

5.20.5. The Company has made available to the Investor (a) true, correct, and complete copies of all material filings, correspondence, and communications with any applicable Governmental Entity regarding the Products, (b) all material data, information, reports, protocols, and analyses relating to the safety, efficacy, or regulatory status of the Products, and (c) its current development plans for the Products, including any planned submissions to the FDA, Israeli Ministry of Health, EU regulatory bodies, or other Governmental Entities for Product Registrations.

5.21. Privacy and Data Protection. In connection with its collection, storage, cross-border transfer, and use of any individually identifiable information (“**Personal Information**”), including personal data under the Israeli Protection of Privacy Law, 1981, the General Data Protection Regulation (Regulation (EU) 2016/679), the Health Insurance Portability and Accountability Act of 1996 (“**HIPAA**”), and any other applicable privacy or data protection Laws, including Laws of any other jurisdictions in which the Company collects or processes Personal Information (collectively, “**Privacy Laws**”), the Company has at all times taken the measures required by, and is in compliance in all material respects with, the Privacy Laws, its own privacy policies, and any contractual requirements binding on the Company. The Company has implemented and maintains reasonable and legally required physical, technical, organizational, and administrative safeguards to protect Personal Information against loss, unauthorized access, misuse, or modification, including appropriate written agreements with all vendors or data processors handling Personal Information on the Company’s behalf. To the Company’s knowledge, no unauthorized access to, or other misuse of, Personal Information or the Company’s information technology systems has occurred, and the Company has not received any notice (nor is any action pending or, to its knowledge, threatened) from any Governmental Entity or private party alleging noncompliance with any Privacy Law. The Company has complied with all applicable data breach notification requirements, and any consents required under the Privacy Laws for the collection, processing, transfer, and other use of Personal Information have been validly obtained. The Company has not sold or shared Personal Information in violation of any Privacy Law. To the Company’s knowledge, no event or condition exists that would reasonably be expected to require the Company to alter or cease any current or planned use of Personal Information under any Privacy Law, nor does the Company have any contractual or legal obligations that prevent it from collecting or using Personal Information in the manner it currently does or as contemplated in its business plans.

5.22. Anti-Corruption and Sanctions. The Company is not engaging in any activity or conduct that would constitute an offense under any ABC Laws or any Sanctions, and, unless permitted by the relevant Governmental Entity, has not conducted any business dealings with a Sanctioned Party. The Company is itself not a Sanctioned Party and is not the subject of any pending or threatened investigation, inquiry, or proceeding by any Governmental Entity concerning non-compliance with ABC Laws or Sanctions. The Company shall (i) comply fully with all ABC Laws and Sanctions; (ii) not directly or indirectly pay, offer, promise, or authorize the provision of money or anything of value to a Government Official, intending to influence that official to obtain or retain business or an improper advantage, or otherwise secure unlawful personal gain; and (iii) unless permitted by the relevant Governmental Entity, refrain from conducting direct or indirect business dealings with any Sanctioned Party or any party located in, organized within, or operating from a sanctioned country or territory. For purposes of this Agreement, (a) “**ABC Laws**” includes anti-corruption and anti-bribery Laws such as the U.S. Foreign Corrupt Practices Act of 1977, the U.K. Bribery Act 2010, and the applicable sections of the Israeli Penal Law 1977, each as amended; (b) “**Government Official**” means an employee, officer, or representative of, or anyone acting in an official capacity for, a Governmental Entity, political party, or supranational organization; (c) “**Sanctioned Party**” refers to any person who is subject to sanctions (including those on restricted-party lists maintained by the U.S., U.N., Switzerland, the EU, or the U.K.) or located in a comprehensively sanctioned country; and (d) “**Sanctions**” means U.S. or other sanctions imposed by the U.S., the United Nations, Israel, the EU, or the U.K.

5.23. Insurance. Section 5.23 of the Schedule of Exceptions contains a list of all insurance policies issued to or for the benefit of the Company, which policies contain coverage in amounts which to the Company's best knowledge are customary in the Company's industry and are reasonable under the circumstances. All such policies are in full force and effect, and there is no claim by the Company pending under any of such policies. All due premiums payable under all such policies have been paid; the Company is otherwise in compliance with the terms and conditions of all such policies; and the Company is not aware of any circumstances reasonably likely to give rise to any claim under any of such policies. The Company has not, to the best of its knowledge, taken any action, or omitted to take any action, which would be reasonably likely to render any such insurance policy void or voidable.

5.24. Governmental Funding, Programs, etc. Except as set forth in Section 5.24 of the Schedule of Exceptions, the Company has not received, and there are no outstanding applications for, any grants, incentives, benefits (including tax benefits) and subsidies from any Governmental Entity or any agency thereof or any international or bilateral fund, institute or organization or public entities or authorities, including, from the Investment Centre of the Ministry of Economy and Industry of the State of Israel or the National Authority for Technological Innovation (previously known as the Office of the Chief Scientist of Israel's Ministry of Economy), nor is the Company an "approved enterprise", "benefited enterprise" or "preferred enterprise" within the meaning of the Israeli Encouragement of Capital Investments Law, 1959. The Company was and is in compliance, in all material respects, with the terms and conditions of any such grants or benefits. Except as set forth in Section 5.24 of the Schedule of Exceptions, there are no outstanding obligations of the Company to make any payment or other royalties under such grants or benefits. Except as set forth in Section 5.24 of the Schedule of Exceptions, no royalties, interest, or other payments are payable or will be payable by the Company as a result of such grants or benefits, and the consummation of the transactions contemplated hereby will not affect the continued qualification for such grants or benefits, the terms or duration thereof or require any reimbursement, repayment, refund or cancellation of any previously claimed or received grants or benefits.

5.25. Registration Rights. Except for the Investors' Rights Agreement as and from the Closing, the Company is not under any obligation to register for trading on any securities exchange, any of its currently outstanding securities or any of its other securities.

5.26. Broker's Fees. Other than as set forth in Section 5.26 of the Schedule of Exceptions, no agent, broker, investment banker, person or firm acting on behalf of or under the authority of the Company is or will be entitled to any broker's or finder's fee or any other commission directly or indirectly in connection with the transactions contemplated herein.

5.27. Directors and Office Holders. The directors of the Company immediately following the Closing shall be as set forth in Exhibit D, attached hereto. Other than as set forth in Section 5.26 of the Schedule of Exceptions, each officer of the Company is currently devoting one hundred percent (100%) of his or her business time to the conduct of the business of the Company. To the Company's knowledge, no officer of the Company is planning to work less than full-time at the Company in the future.

5.28. Disclosure. The Company's representations and warranties made or contained in this Agreement, when considered in conjunction with the disclosures expressly included in the Schedule of Exceptions, do not contain any untrue statement of a material fact and do not omit to state a material fact required to be stated therein or necessary in order prevent any such representation or warranty from being misleading in light of the circumstances in which they were made or delivered.

6. **Representations and Warranties of the Investor.** The Investor hereby represents and warrants to the Company that as of the date hereof, as of the Closing, and acknowledges that the Company is entering into this Agreement in reliance thereon:

6.1. Requisite Power and Authority. The Investor is duly organized and validly existing under the Laws of the State of Israel and has all necessary power and authority to execute and deliver this Agreement and the Ancillary Documents to which it is a party and to carry out their provisions. Upon their execution and delivery, this Agreement and the Ancillary Documents to which such Investor is a party will be valid and binding obligations of Investor, enforceable in accordance with their respective terms, except (a) as limited by applicable bankruptcy, insolvency, reorganization, moratorium or other Laws of general application affecting enforcement of creditors' rights and (b) as limited by general principles of equity that restrict the availability of equitable remedies.

6.2. Investment Experience. The Investor is an investor in securities of companies in the development stage and acknowledges that it can bear the economic risk of its investment, and has such knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of the investment in the Company.

6.3. No Registration. The Investor acknowledges that none of the securities which it is acquiring hereunder have been registered on any stock exchange or under the securities Laws of any jurisdiction.

6.4. Brokers. No agent, broker, investment banker, person or firm acting in a similar capacity on behalf of or under the authority of the Investor is or will be entitled to any brokerage or finders' fees or agents' commissions or any similar fee, directly or indirectly, in connection herewith.

6.5. No Public Market. The Investor understands that no public market now exists for its shares purchased hereunder and these have not been registered under the U.S. Securities Act of 1933, as amended or the rules or regulations promulgated thereunder (the "**Securities Act**"), and that the Company has made no assurances that a public market will ever exist for the shares purchased hereunder.

6.6. Full Access to Information. Without derogating from the Investor's reliance on the Company's representations and warranties under Section 5 above, and without limiting the scope thereof, the Investor has had opportunity to inquire and receive information relating to the Company and it has had an opportunity to ask questions and receive answers from the Company regarding the business, properties, prospects and financial condition of the Company in order to evaluate the financial risk inherent in making the investment hereunder, and deciding whether to purchase its shares.

7. **[Reserved.]**

8. **Default**

8.1. **Repayment upon an Event of Default.** The Loan Amount shall become due and immediately repayable by the Company in full to the Investor, upon the first to occur of the following events (each, an “**Event of Default**”), unless waived in writing by the Investor: (i) the execution by the Company of a general assignment for the benefit of creditors; (ii) the filing by or against the Company of any petition in bankruptcy or liquidation proceedings of the Company or any petition for relief under the provisions of any Law for the relief of debtors, and the continuation of such petition without dismissal for a period of forty-five (45) days or more; (iii) the appointment of a receiver, a trustee or a special manager to take possession of a portion of the property or assets of the Company and the continuation of such appointment without dismissal for a period of forty-five (45) days or more; (iv) the commencement by the Company of any liquidation proceedings, or the adoption of a winding up resolution by the Company, or the calling by the Company of a meeting of creditors for the purpose of entering into a scheme or arrangement with them or any resolution in favour of any of the foregoing by the Board of Directors or shareholders of the Company; or (v) the cessation of conduct of all or substantially all of the Company’s business affairs for a consecutive period of more than sixty (60) days.

8.2. **Notice.** The Company undertakes to notify the Investor in writing promptly and in any case no later than within two working days, upon becoming aware of the occurrence of any Event of Default.

9. **Post-Closing Covenants**

9.1. **Survival of Representations and Warranties; Indemnification.**

9.1.1. Each representation and warranty herein is deemed to be made on the date of this Agreement and at the Closing and shall survive and remain in full force and effect after the Closing; provided however, that the survival of all representations and warranties of the Company shall be limited to a period ending upon the earlier of (i) lapse of 3 (three) years from the Closing or (ii) the closing of a Deemed Liquidation event (including without limitation, through an exercise of the Call Option); and provided further, however, that notwithstanding the aforesaid, the survival of those representations and warranties contained in Section 5.1 (Organization), Section 5.3 (Authorization and Approvals Related to the Transaction; No Breach), Section 5.6 (Capitalization), Section 5.14 (Intellectual Property), Section 5.17 (Tax), Section 5.20 (Regulatory Matters) and Section 5.21 (Privacy and Data Protection) shall survive for a period of 5 (five) years from the Closing (in each case, a “**Survival Period**”).

9.1.2. The Company hereby agrees to hold harmless and indemnify the Investor and its executive officers, directors, employees, shareholders, agents and representatives (together with the Investor, the “**Indemnitees**”, and each an “**Indemnitee**”) against any and all damages, liabilities, losses, costs and expenses (including reasonable attorneys' fees and expenses), whether or not arising out of third-party claims (“**Losses**”), based upon, or arising out of, or relating to, (i) any breach by the Company of any representation or warranty or other statement contained in this Agreement which occurs within the applicable Survival Period (“**Representation Indemnifiable Claims**”), or (ii) any breach of any covenant or agreement contained in this Agreement, and which, if reasonably susceptible to being cured, remains uncured for 30 days following receipt of written notice thereof (“**Covenant Indemnifiable Claims**”); and collectively with Representation Indemnifiable Claims, “**Company Indemnifiable Claims**”); provided that, with respect to Company Indemnifiable Claims, in no event shall the Company be liable for any indirect, consequential, punitive, or special damages, including loss of profits or loss of business opportunities.

9.1.3. In the event that an Indemnitee shall sustain or incur any Losses in respect of which indemnification may be sought by it pursuant hereto, such Indemnitee shall assert a claim for indemnification (a “**Claim**”) by giving written notice thereof, which shall describe in reasonable detail the facts and circumstances upon which the asserted claim for indemnification is based, to the Company and shall thereafter keep the Company reasonably informed with respect thereto; *provided*, that a failure of the Indemnitee to give the Company prompt notice as provided herein shall not relieve the Company of any of its obligations hereunder, except in the case where the Company, is actually and materially prejudiced by such failure, in which case, the Company will be relieved from its indemnification obligations hereunder but only to the extent of the damages caused to it due to such failure. In connection with a third-party claim, the Company shall promptly assume the defense of the Claim with counsel reasonably satisfactory to the Indemnitee, and the fees and expenses of such counsel shall be borne by the Company. The Indemnitee will cooperate with the Company in the defense of any Claim for which the Company assumes the defense, at the Company’s reasonable cost and expense. In the event that counsel retained by the Company to defend a Claim also represents the Company in any other matter giving rise to a conflict of interest with respect to such Claim, the Indemnitee shall have the right to select separate counsel to assume the defense, and the fees and expenses of such separate counsel shall be borne by the Company. In any event, the Indemnitee shall have the right to participate in the defense of any third-party Claim with counsel of its choosing at its own expense. The Company will not agree, without the consent of the Indemnitee (which shall not be unreasonably withheld, conditioned or delayed), to any settlement that (i) includes any admission of fault or wrongdoing by the Indemnitee, or (ii) imposes any non-monetary obligations or restrictions on the Indemnitee, or (iii) would result in a monetary liability to the Indemnitee.

9.1.4. The monetary amount of the indemnification hereunder shall be limited to the aggregate outstanding principal actually advanced by the Investor under the Initial Principal Amount, the Second Principal Amount and any portion of the Third Investment Amount funded as of the date of the applicable Claim less any amount of damages previously paid to the Indemnitee by the Company under this indemnity clause, and any amount of the Initial Principal Amount or Second Principal Amount previously repaid to the Investor; provided, however, that any such repayments shall not reduce the monetary cap applicable to indemnification for Losses arising from the defence of Third Party Claims. No claim or claims shall be brought unless the aggregate amount of such claim exceeds fifty thousand U.S. Dollars (\$50,000), provided that in case of a claim in excess of the aforesaid threshold, the claim can be submitted for the entire amount of such loss. Subject to Section 9.2 below, the indemnification provided by the Company pursuant to this Section 9.1 shall be the exclusive remedy available to the Indemnitees against the Company in connection with any Company Indemnifiable Claim, except in the case of gross negligence or fraudulent, bad faith, or wilful misrepresentation or breach (in which cases the limitations under this Section 9.1.4 shall not apply). Notwithstanding the foregoing or anything else in this Section 9, the Investor shall be entitled to specific performance of any of the covenants, obligations, or undertakings of the Company under this Agreement and to such other injunction or other equitable relief as may be granted by a court of competent jurisdiction.

9.1.5. Notwithstanding anything to the contrary herein, no Indemnatee shall be entitled to recover from the Company more than once for the same Loss, even if such Loss gives rise to more than one claim for indemnification under this Agreement or involves more than one Indemnatee. For the avoidance of doubt, separate and distinct Losses incurred by different Indemnitees (even if arising from the same Company Indemnifiable Claim) shall each be recoverable by the respective Indemnatee.

9.2. Capitalization Adjustments. If at any time following the Closing, the Capitalization Table is found to have been not reflective of all the issued and outstanding share capital of the Company as of the Closing on a Fully-diluted Basis, then at the Investor's election (in lieu of indemnification remedy under Section 9.1 above), the Company shall issue to the Investor upon conversion of the Principal Amount (and contingent thereon), or thereafter if such discovery is made after the conversion, the number of additional Conversion Shares, for no additional consideration, that would have been required in order for the Investor to maintain its shareholding percentage in the Company on a fully-diluted basis as of the Closing, as set forth in the Capitalization Table, and the Capitalization Table shall be updated accordingly. This provision shall expire upon the earlier of: (i) the lapse of the applicable statute of limitations, and (ii) immediately prior to the consummation of a Deemed Liquidation event (including without limitation, through an exercise of the Call Option).

9.3. Evidence of Filing – Share Issuances. The Company shall file with the Israeli Registrar of Companies the Amended Articles and the issuance of the Special Share immediately following the Closing. All notices that were to be filed with the Israeli Registrar of Companies according to applicable Law in connection with this Agreement shall be immediately filed following the Closing and each Subsequent Closing subject to receipt from the Investor of the data and documents required for such filings.

9.4. Data Protection Officer. Within 60 days following the Closing the Company agrees to seek external counsel advice with respect to the necessary to appoint a data protection officer and to comply with such advice.

10. Miscellaneous.

10.1. Governing Law. This Agreement shall be governed, construed and interpreted in accordance with the Laws of the State of Israel, without giving effect to principles of conflicts of Law or choice of Law that would cause the substantive Laws of any other jurisdiction to apply.

10.2. Jurisdiction. The competent courts in Jerusalem shall have sole and exclusive jurisdiction over all matters relating to this Agreement.

10.3. Amendment and Waiver. Any provision of this Agreement may be amended and the observance thereof may be waived (either generally or in a particular instance and either retroactively or prospectively), only (a) by the written consent of the Company and the Investor; or (b) in the case of a waiver only, by the written consent of the Investor or the Company, as applicable.

10.4. Entire Agreement. This Agreement (including the preamble hereof), the Exhibits and Schedules hereto, and the other Ancillary Documents constitute the entire agreement among the Parties relative to the specific subject matter hereof and thereof.

10.5. Notices. All notices required or permitted hereunder shall be in writing and shall be deemed effectively given: (a) upon personal delivery to the party to be notified; (b) when sent by email with confirmation of transmission if sent during normal business hours of the recipient, if not, then on the next business day; (c) ten (10) days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (d) two business days after deposit with an internationally-recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent out as set forth below:

Company

Neurolief Ltd.
12 Giborei Israel, Netanya, Israel, 4250412
Attn: Chief Executive Officer
E-mail: scott.drees@neurolief.com

With a copy (which shall not
constitute service of process)
to:

Amit, Polak, Matalon & Co.
18 Raoul Wallenberg St.
Building D
6th floor
Tel Aviv 6971915

Attn: James Raanan, Adv.
E-mail: jamesr@apm.law

Investor

BrainsWay Ltd
16 Hartum St, Har Hotzvim, Jerusalem 9777516, Israel
Fax: +972-2-5812517
Attn: Menachem C. Klein, Esq.,
VP, General Counsel and Corporate Secretary Office

E-mail: MKlein@brainsway.com

With a copy (which shall not constitute service of process) to: S. Friedman, Abramson & Co _____
Azrieli Town, 146 Menachem Begin Road, Tel Aviv, Israel
Fax: +972-3-6931930
Attn: Sarit Molcho and Simon Synett _____
E-mail: saritm@sfa.law;simons@sfa.law _____

10.6. Severability. In the event one or more of the provisions of this Agreement should, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions of this Agreement, which shall remain enforceable, to the fullest extent permitted by Law. Furthermore, to the fullest extent possible, the provisions of this Agreement (including, without limitation, the portion of this Agreement containing any provision held to be invalid, illegal or unenforceable that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable.

10.7. Expenses. Each Party shall pay all costs and expenses that it incurs with respect to this Agreement; provided however that, the Company shall pay to the Investor (or its designee), subject to and upon the consummation of the Closing, the legal and accounting fees and other expenses in respect of the due diligence process and execution and closing of this transaction as incurred by the Investor, in an aggregate amount not to exceed \$35,000 plus (ii) VAT on such amount.

10.8. Counterparts. This Agreement may be executed in two or more counterparts (including counterparts transmitted by electronic mail in PDF format), each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

10.9. Successors and Assigns. The provisions hereof shall inure to the benefit of, and be binding upon, the successors and assigns of the parties hereto. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement. None of the rights, privileges, or obligations set forth in, arising under, or created by this Agreement may be assigned by the Investor or transferred without the prior consent in writing of the Company, with the exceptions of permitted assignments contemplated in Section 12.10 of the Call Option Agreement which shall apply mutatis mutandis.

10.10. Titles and Subtitles. The titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

10.11. Further Assurances. Each of the parties hereto shall perform such further acts and execute such further documents as may reasonably be necessary to carry out and give full effect to the provisions of this Agreement and the intentions of the parties as reflected thereby. Without derogating from the generality of the foregoing, in the event of a readjustment of the Investor's Pro Rata Portion (as defined in the Call Option Agreement and in connection with the exercise of the Call Option), the term Fully Diluted (and hence the Conversion Price and the Third Investment PPS) will be adjusted accordingly, and the Parties agree to take such actions as are necessary to ensure that the Investor will hold the correct number of shares in connection therewith, or to otherwise modify contractually modify the Investor's Pro Rata Portion accordingly.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

[EXECUTION PAGE TO INVESTMENT AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Investment Agreement as of the date set forth in the first paragraph hereof.

Neurolif Ltd.

Brainsway Ltd.

By (sign name): _____

By (sign name): _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

CALL OPTION AGREEMENT

THIS CALL OPTION AGREEMENT (the “**Agreement**”) is made and entered into this 18th day of August, 2025 by and among BrainsWay Ltd., an Israeli public company (the “**Buyer**” or the “**Investor**”), Neurolief Ltd., a company organized under the laws of the State of Israel (the “**Company**”), and the persons listed in **Schedule A** hereto, as may be amended and/or supplemented from time to time in accordance herewith (the “**Grantors**” or the “**Sellers**”) and Behir Sabban, Adv. as the Sellers’ Representative, and together with the Grantors, the Company and the Buyer, the “**Parties**” and each, a “**Party**”).

RECITALS:

WHEREAS, concurrently with the execution of this Agreement, the Investor and the Company have entered into that certain Investment Agreement dated as of even date herewith (the “**Investment Agreement**”), providing for funding of the Company by the Buyer, in an aggregate amount of up to \$16M, to be extended in up to three installments, all subject to the terms and conditions of the Investment Agreement. All Capitalized Terms not otherwise defined herein shall have the meaning ascribed to them in the Investment Agreement;

WHEREAS, as a material inducement for the Investor’s undertakings pursuant to the Investment Agreement, the Investor wishes to be granted an option to acquire all (100%) of the outstanding equity interests in the Company (not held by the Investor or its Affiliates), and the Sellers agree to grant the same to the Investor, all subject to the terms and conditions of this Agreement;

NOW, THEREFORE, the Parties, intending to be legally bound, hereby agree as follows:

1. The Call Option

1.1. Grant of Option. Subject to the terms and conditions of this Agreement, effective upon the consummation of the Closing of the Investment Agreement (and contingent thereupon) (the “**Call Option Commencement Date**”), the Grantors hereby grant to the Investor an option during the Call Option Period (as defined below) (the “**Call Option**”) to purchase all of the Option Purchased Securities (as defined below), free and clear of any Encumbrances (“**Free and Clear**”). “**Encumbrances**” means any mortgage, pledge, lien, charge, option, right of first refusal, right of first offer, pre-emptive right, security interest, encumbrance, claim, restriction (including any restriction on the right to vote, sell, or otherwise transfer a security), or other third-party right, whether arising under the Amended Articles, by agreement, by operation of law or otherwise.

1.2. Right to Exercise. The Call Option may be exercised at any time, commencing as of the Call Option Commencement Date and up to and including the Call Option Termination Date (as defined below) (the “**Call Option Period**”); provided that, if the Call Option is not exercised before the Call Option Pause Date, the Investor shall not be entitled to exercise the Call Option during the Call Option Non-Exercise Period (except pursuant to Article 143 of the Amended Articles, if applicable). Upon the expiration of the Non-Exercise Period, the Investor may exercise the Call Option at any time until and including the Call Option Termination Date. “**Call Option Pause Date**” means the date that is twelve (12) months following the Second Closing under the Investment Agreement; “**Call Option Non-Exercise Period**” means the period commencing on the Call Option Pause Date and ending on the second anniversary thereof; and “**Call Option Expiry Date**” means the date that is six (6) months following the lapse of the Call Option Non-Exercise Period. In the event that an Exercise Notice is not delivered in accordance with the terms hereof on or prior to the Call Option Termination Date, this Agreement shall terminate and have no further force or effect, and none of the parties shall have any rights, liabilities or obligations hereunder. For the avoidance of doubt, as long as an Exercise Notice is duly delivered in accordance with the terms hereof prior to 12:00 AM (Israel time) on the Call Option Pause Date or prior to 11:59 PM and 59 seconds (Israel time) of the Call Option Termination Date (as applicable), the Option Closing may occur after such date(s) in accordance with Section 2 below; and, wherever reference is made in this Agreement to exercise of the Call Option by a particular date, such exercise shall be deemed to occur upon delivery of an Exercise Notice in accordance with the terms hereof.

1.3. Exercise Price.

Certain Defined Terms. In this Agreement, the capitalized terms below shall have the meaning ascribed to them (even if defined in the investment agreement):

1.3.1.1. “**Adjustment Escrow Amount**” shall mean as set forth in Section 3A below.

1.3.1.2. “**Affiliate**” of a specified Person means a Person that directly or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the Person specified. The term “control” means the holding, directly or indirectly, of more than 50% of the equity and voting power of a Person or the right to appoint a majority of its board of directors or other equivalent body shall be considered “control”. The terms “controlling” and “controlled by” have correlative meanings to the foregoing.

1.3.1.3. “**Amit Dar Bonus**” means the Exit Success Bonus payable to Amit Dar pursuant to his Amendment to Employment Agreement with the Company dated May 4, 2023.

1.3.1.4. “**Baseline Options and Warrants**” means (i) options granted or reserved for grant to the Company’s employees, consultants and advisors to purchase 2,095,580 shares of nominal value NIS0.01 of the Company, (ii) warrants to purchase 41,489 1 Preferred A-1 Shares of nominal value NIS0.01 of the Company, and (iii) warrants to purchase 35,647 Preferred B-1 Shares, 1,078,825 Preferred B Shares, and 1,492,963 Preferred B-4 Shares, all of nominal value NIS0.01 of the Company; all deemed to be outstanding under the Baseline Pre-money Capitalization.

1.3.1.5. “**Baseline Pre-money Capitalization**” means the Company’s issued and outstanding share capital on a fully diluted basis as set forth in the Capitalization Table as of the immediately prior to the Closing (as defined in the Investment Agreement).

1.3.1.6. “**Business Day**” means any day other than a Friday, Saturday or official public holiday in Israel or a day on which banks in Israel are authorized or required by law to be closed.

1.3.1.7. “**Capitalization Table**” means the Capitalization Table set forth in the Investment Agreement (it being clarified that such Capitalization Table includes a proforma of the investment of the entire Principal Amount and Third Investment Amount (as defined therein), and to the extent different amounts are invested by Investor, then the Capitalization Table shall be adjusted accordingly.

1.3.1.8. “**Carveout Bonus Payments**” means those bonus payments approved under the bonus plan (the “**2025 Bonus Plan**”) by the board of directors of the Company on or around July 21, 2025, as the “*Exit Carveout*”, to be made to employees of the Company on the Option Closing Date (but not including those bonuses referenced in the 2025 Bonus Plan and defined below as Company Milestone Bonuses).

1.3.1.9. “**Company’s Equity Value**” means (i) the Company’s Enterprise Value (as defined below), minus (ii) Aggregate Debt (as defined below) and plus Aggregate Cash (as defined below), calculated as of the Option Closing Date in accordance with this Agreement.

1.3.1.10. “**Company Exit Bonuses**” means the aggregate of the Carveout Bonus Payments and the Amit Dar Bonus.

1.3.1.11. “**Company Milestone Bonuses**” means the bonus payments payable on the Option Closing Date to employees pursuant to the 2025 Bonus Plan in respect of achievement of certain milestones, which payments may only be made from freely available cash held by the Company (and, with respect to the portion of such bonuses payable on the Option Closing, the cash held by the Company as of immediately prior to the Option Closing); provided, that in the event that the Company has insufficient available cash to satisfy the Company Milestone Bonuses, any resulting shortfall in such payments shall not be payable at all and the Company shall have no outstanding obligations in connection therewith.

1.3.1.12. “**Company Options**” shall mean all issued and outstanding options, whether vested or unvested, to acquire shares of the Company, as of the Option Closing Date.

1.3.1.13. “**Governmental Authority**” means the government of any nation, state, city, locality or other political subdivision of any of them or any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to any government.

1.3.1.14. “**Investor Participation Amount**” means an amount representing Investor’s participation in Company Exit Bonuses, equal to the lower of \$1,000,000 and 25% of the Company Exit Bonuses.

1.3.1.15. “**Investor’s Pro Rata Portion**” means the amount equal to the product of (i) the Company’s Equity Value, multiplied by (ii) the percentage of Shares held by the Investor (including by any of its Affiliates) (as set forth in the Capitalization Table), on a Fully Diluted As-Converted Basis as of the Option Closing Date; provided, however, that for purposes of calculating the Fully Diluted As-Converted Basis: (i) all convertible loans, SAFEs, and any other convertible notes then outstanding and that are convertible/exercisable pursuant to their terms, shall be taken into account, as if exercised or converted, and (ii) outstanding options and warrants that are not Vested Company Options or Vested Warrants, immediately prior to the Option Closing and therefore expire pursuant to the provision of Section 1.3.6 below for no consideration, shall be disregarded and deemed not to have been issued (“**Fully Diluted As-Converted Basis**”). Without derogating from the foregoing, the number of Shares held by the Investor at the Option Closing for the purpose of determining the Investor’s Pro Rata Portion, shall also be subject to readjustment (if required) as follows: upon expiration, cancellation or termination of any unexercised Baseline Options and Warrants which were originally included in the Baseline Pre-money Capitalization, for purposes of determining the applicable Conversion Price, the Third Investment PPS and the number of Conversion Shares and Third Investment Shares (all such capitalized terms as defined in the Investment Agreement) issued based thereon, shall be deemed readjusted to reflect the result that would have been obtained had such unexercised Baseline Options and Warrants never been part of the Baseline Pre-money Capitalization (an example of which is attached as Exhibit E hereto).

1.3.1.16. “**Minimum Call Option EV**” means the First Minimum Call Option EV or Second Minimum Call Option EV (each as defined below).

1.3.1.17. **“Non-Signing Shareholders”** means shareholders of the Company that have not signed this Agreement.

1.3.1.18. **“Non-Signing Shareholders’ Pro Rata Portion”** means the amount equal to the product of (i) the Company’s Equity Value, multiplied by (ii) the percentage of Shares held, on a Fully Diluted As-Converted Basis as of immediately prior to the Option Closing, by those shareholders of the Company whose Shares are not transferred to the Investor at the Option Closing in accordance with Section 5.

1.3.1.19. **“Option Purchased Securities”** means (i) all Shares (as defined in the Amended Articles, as may be amended from time to time (including any future type of shares created or authorized by the Option Closing Date) (the **“Shares”**)), including, for the avoidance of doubt, Preferred Shares, and all warrants that are vested and in-the-money as of the Option Closing, in each case held directly or indirectly by the Grantors or their respective Permitted Transferees (as defined in the Amended Articles), whether currently held or acquired prior to the Option Closing, (ii) any Vested Company Options, and (iii) the Shares of any Non-Signing Shareholders which are transferred pursuant to effectuation of the provisions of Section 5 below.

1.3.1.20. **“Company’s Enterprise Value”** means the agreed enterprise value of the Company, as determined below:

1.3.1.20.1. If the Call Option is exercised at any time prior to the Call Option Pause Date, the greater of: (A) USD 65,000,000 (the **“First Minimum Call Option EV”**) or (B) 4.5 times the Determining Revenues (as defined below).

1.3.1.20.2. If the Call Option is exercised at any time following the expiration of the Non-Exercise Period, the greater of: (A) USD 90,000,000 (the **“Second Minimum Call Option EV”**) or (B) 4.5 times the Determining Revenues.

1.3.1.21. **“Consideration Recipients”** shall mean the Sellers (and if and as applicable, the Non-Signing Shareholders whose Shares are transferred to the Investor and the holders of Vested Company Options and Vested Warrants (each of the Consideration Recipients shall be referred to individually as a **“Consideration Recipient”**)).

1.3.1.22. **“Consideration”** shall mean the Exercise Price whether paid entirely in cash or partially in cash and partially in the form of Equity Consideration pursuant to the provisions of this Agreement,

1.3.1.23. **“Determining Revenues”** means the Company’s annualized revenues on a trailing six-month basis as reflected in the Company’s reviewed financial statements prepared in accordance with GAAP (defined below) for the six (6) most recent calendar months immediately preceding the exercise of the Call Option.

1.3.1.24. **“Aggregate Debt”** means, as of and including the Option Closing Date, the sum (without duplication) of (i) all indebtedness for borrowed money of the Company or any of its subsidiaries (including, for the avoidance of doubt, outstanding principal, accrued interest, and any prepayment penalties or premiums), (ii) all amounts owed by the Company or any of its subsidiaries under capital lease obligations, (iii) any drawn amounts under lines of credit or similar facilities of the Company or any of its subsidiaries, (iv) all unpaid dividends declared and not paid to the shareholders prior to the Option Closing, (v) all obligations of the Company or any of its subsidiaries under interest rate, currency, or commodity hedging or derivative contracts (to the extent such contracts are out-of-the-money to the Company or any of its subsidiaries), and (vi) any other indebtedness of the Company or any of its subsidiaries evidenced by notes, bonds, debentures, or similar instruments. For avoidance of doubt (i) any financing provided to the Company by means of convertible loans, SAFEs or other convertible debt securities, by the Company’s shareholders and/or any of their affiliates, which remains outstanding and not converted immediately prior to the Option Closing, shall be considered as indebtedness for purpose of the definition of Aggregate Debt.

1.3.1.25. “**Aggregate Cash**” means, as of and including the Option Closing Date, the aggregate amount of unrestricted and freely available cash and cash equivalents held by the Company and its subsidiaries (excluding any restricted cash, pledged accounts, or amounts subject to third-party claims, liens, or other Encumbrances).

1.3.1.26. “**Paying Agent**” means ESOP Management & Trust Services Ltd.

1.3.1.27. “**Paying Agent & Escrow Agreement**” means the agreement by and among the Buyer, the Representative and the Paying Agent, in customary form to be finalized by the Investor, the Representative and the Paying Agent within 90 days of the Closing (or two separate agreements to the extent required by the Paying Agent).

1.3.1.28. “**Payment Schedule**” means the payment schedule to be delivered by the Company to the Buyer at least 3 Business days prior to the Option Closing, setting forth the name of each Seller, the number of Shares held thereby, the portion of the Exercise Price payable at the Option Closing presented in US dollars payable to each Consideration Recipient, the contribution of each Consideration Recipient to the Adjustment Escrow Amount and to the Representative Expense Amount, and if applicable, the distribution of the Equity Consideration and the allocation and recipients thereof, and the amount of the Net Debt/Cash Position. The payment Schedule shall be certified by the Company’s CFO as true and correct.

1.3.1.29. “**Person**” means any individual, corporation, partnership, limited liability company, limited liability partnership, firm, joint venture, association, joint stock company, trust, unincorporated organization, Governmental Authority or other entity.

1.3.1.30. “**Net Debt/Cash Position**” means the net balance of the Aggregate Debt and Aggregate Cash.

1.3.1.31. “**Representative Expense Amount**” shall mean an amount to be deducted from the Call Option Exercise Price, as determined by the Majority Sellers and the Representative and deposited with the Representative to be used for expenses as set forth in the Payment Schedule.

1.3.1.32. “**Section 102 Option**” means any Company Option that was granted pursuant to Section 102 of the ITO.

1.3.1.33. “**Section 102 Shares**” means any Ordinary Shares of Company issued upon exercise of a Section 102 Option.

1.3.1.34. “**Section 102 Trustee**” shall mean a trustee appointed by the Company and approved by the ITA to act as a trustee for the purposes of Section 102 of the ITO (“**Section 102**”).

1.3.1.35. “**Vested Company Option**” means any Company Option (or portion thereof) that (i) is not an Unvested Company Option, (ii) is “in-the-money” as of immediately prior to the Option Closing and that (iii) the holder thereof signed a joinder to this Agreement in the form attached as Exhibit A (the “**Optionee/ Warrantholder Joinder**”), or with respect to holders of Vested Company Options, alternatively, to the extent any such holders do not sign the Optionee Joinder, then a pre-requisite condition for such holder to receive its respective Consideration would include the delivery of the Optionee Joinder.

1.3.1.36. **“Unvested Company Option”** shall mean any Company Option (or portion thereof) that is unvested as of immediately prior to the Option Closing and does not vest at the Option Closing (including, for the avoidance of doubt, through acceleration by its terms as of the Option Closing) as well as vested Company Options that are not “in the money” as of the Option Closing Date.

1.3.1.37. **“ITO”** shall mean the Israeli Income Tax Ordinance and any regulations and decrees promulgated pursuant thereto.

1.3.2. **Call Option Exercise Price.** The Call Option purchase price for the Option Purchased Securities (the **“Exercise Price”**) shall be equal to (i) the Company’s Equity Value, minus (ii) the Investor’s Pro Rata Portion, plus (iii) the Investor Participation Amount, and further minus, if applicable (iv) the Non-Signing Shareholders’ Pro Rata Portion, and shall be subject to further adjustment in accordance with Section 2 below.

1.3.3. **Partial Payment in Shares.** The Investor may elect in the Exercise Notice (as defined below) to satisfy up to twenty-five percent (25%) of the Exercise Price through the issuance to the Grantors of newly issued, publicly traded ordinary shares of the Investor (the **“Equity Consideration”**), provided that: (i) the aggregate value of such consideration in kind does not exceed ten percent (10%) of the Investor’s total market capitalization at the time of issuance; (ii) the value of the Investor’s ordinary shares shall be determined based on the volume-weighted average closing price (VWAP) over the thirty (30) trading days immediately preceding the Option Closing Date (as defined below); (iii) the ADSs representing the ordinary shares of the Investor are listed and actively traded on the Nasdaq Global Market, with an average daily trading volume of at least 60,500 ADSs over the thirty (30) trading days preceding the Option Closing Date; and (iv) the Investor remains in compliance with all applicable Nasdaq listing requirements and is not subject to any delisting procedures or material compliance at the time of issuance. Any payment made by means of Equity Consideration shall be subject to Buyer’s compliance with Section 7.8 and 11.1 hereof. To the extent that the Exercise Price includes Equity Consideration, the allocation of the Exercise Price by means of cash and Equity Consideration between the Consideration Recipients shall be determined as set forth in the Payment Schedule.

1.3.4. **Manner of Exercise.** The Call Option may be exercised by the Investor only once, and only with respect to all (and not less than all) of the Option Purchased Securities by delivering written irrevocable notice to such effect to the Representative (with a copy to the Company (who shall forward the Exercise Notice to all Sellers)) (the **“Exercise Notice”**). If the Investor elects to make a partial payment in shares pursuant to Section 1.3.3, the Exercise Notice shall include such election and set forth the number of shares to be issued and the calculation used to determine such amount.

1.3.5. **Treatment of outstanding Company Options and Warrants.**

(a) **Treatment of Warrants.** Immediately prior to the Option Closing, each outstanding Warrant that is (i) vested (including, for the avoidance of doubt, through acceleration by its terms as of the Option Closing) (ii) is “in-the-money” and (iii) the holder thereof has signed the Optionee/ Warrantholder Joinder (**“Vested Warrants”**), shall be exercised whether by paying the exercise price of each such Warrant, by each holder thereof or by cashless exercise, such that such Warrants shall be terminated and cancelled as of the Option Closing, and, in exchange of such exercise and/or cashless exercise, each holder thereof shall be entitled to receive, a portion of the Consideration hereunder equal to the amount set forth opposite such holder of Vested Warrants’ name in the Payment Schedule as further detailed in this Agreement. Each outstanding Warrant that is not a Vested Warrant immediately prior to the Option Closing, shall be terminated and extinguished as of immediately prior to the Option Closing and contingent thereupon.

(b) Treatment of Vested Company Options. The Company shall cause each Vested Company Option, immediately prior to the Option Closing, to be exercised into ordinary shares of the Company, whether by paying the exercise price of each such Vested Company Option, by each holder thereof or by cashless exercise, such that the then outstanding Vested Options shall be terminated and cancelled as of the Option Closing, and, in consideration of such exercise and/or cashless exercise, each holder thereof shall be entitled to receive, a portion of the Consideration hereunder equal to the amount set forth opposite such holder of Vested Company Options' name in the Payment Schedule as further detailed in this Agreement.

(c) Treatment of Unvested Company Options. Company shall take all action necessary to cause all Unvested Company Options and the Company's current existing share incentive plan to be terminated and cancelled at the Option Closing.

(d) Notwithstanding anything to the contrary, any Consideration payable hereunder shall be transferred by the Buyer, at the Option Closing to the Paying Agent who shall act with respect to the Consideration in accordance with the provisions of the Paying Agent. Without derogation from the generality of the above, it is agreed that the Consideration (if any) payable upon the exercise of a Vested Company Option granted under Section 102 or in respect of a share held by the Section 102 Trustee following the exercise of a Vested Company Option granted under Section 102 shall be delivered in accordance with the Israeli Options Tax Ruling, to the Section 102 Trustee and held in trust by the Section 102 Trustee pursuant to the applicable provisions of Section 102 and the Israeli Options Tax Ruling. Such Consideration shall be released by the Section 102 Trustee, in accordance with applicable law, the Israeli Options Tax Ruling, and the trust documents governing the trust held by the Section 102 Trustee.

1.3.6. Withholding.

1.3.6.1. Each of the Investor, Investor's agent, including the Paying Agent (each, a "**Payor**") shall be entitled to deduct and withhold from the Consideration if applicable, such amounts as it is required to deduct and withhold with respect to the payment of such Consideration under the Income Tax Ordinance (New Version), 5721-1961 at the applicable rate for such withholding. To the extent any amounts were so deducted or withheld, such withheld amounts shall be timely remitted by the relevant Payor, to the applicable Governmental Authority and the Payor shall promptly provide the applicable payment recipient a written confirmation of the payment details and the amount so withheld as well as any other reasonable evidence of said withholding.

1.3.6.2. Notwithstanding the foregoing, with respect to Israeli Tax, if the Paying Agent provides the Investor with an undertaking prior to the Option Closing Date as required under Section 6.2.4.3 of the Income Tax Circular 19/2018 (Transaction for Sale of Rights in a Corporation that includes Consideration that will be transferred to the Seller at Future Dates), any consideration paid pursuant to this Agreement on the Option Closing Date shall be retained by the Paying Agent for a period of up to 180 days from the Option Closing Date (or, with respect to any other payment of Consideration payable or otherwise deliverable following the Option Closing Date, for a period of 90 days following such payment or delivery date), or a shorter period of time if requested in writing by a Person in respect of such Person's portion of the Consideration) (respectively, the **"Withholding Drop Date"**), during which time the Paying Agent shall not withhold any Israeli Tax on such Consideration paid except as provided below, and during which time such Person may obtain a Valid Certificate regarding the deduction or withholding of Israeli Tax from any Consideration paid to such Person hereunder. If such Person delivers a Valid Certificate (as defined below) to the Paying Agent no later than three (3) Business Days prior to the Withholding Drop Date, the deduction and withholding of any Israeli Taxes shall be made in accordance with the provisions of such Valid Certificate and the balance of the payment that is not withheld shall be paid to such Person. If a Person (i) does not provide the Investor or the Paying Agent with a Valid Certificate by no later than three (3) Business Days before the Withholding Drop Date or (ii) submits a written request to the Investor or the Paying Agent to release its portion of the Consideration paid to the Paying Agent pursuant to this Agreement prior to the Withholding Drop Date and fails to submit a Valid Certificate at or before such time, then the amount of Israeli Tax to be withheld from such Person's portion of the consideration paid pursuant to this Agreement shall be calculated according to the applicable withholding rate as reasonably determined by the Paying Agent in accordance with the Income Tax Ordinance which amount shall be calculated in NIS based on the US:NIS exchange rate known on the date the payment is actually made to such recipient. The amount so withheld shall be timely delivered or caused to be delivered to the ITA by the Paying Agent, and the Paying Agent shall promptly pay to any such Person the balance of the payment due to such Person that is not so withheld (and, for the avoidance of doubt, in the case of subclause (ii), the Consideration shall be released to such Person promptly following the receipt of such request without the need to wait until the lapse of the 180 days (or 90 days from any later payment date)). To the extent that amounts are so withheld by the Paying Agent, the Paying Agent shall provide the applicable Person with formal documentation evidencing such withholding and payment.

1.3.6.3. A **"Valid Certificate"** shall mean a valid and applicable certificate or ruling issued by the Israeli Tax Authority (the **"ITA"**) stating that no withholding (or reduced withholding) of Israeli Tax is required with respect to such Person, or providing for other instructions regarding the payment due to such Person. The Parties agree that, a valid certificate of exemption from withholding pursuant to Israeli Income Tax Regulations (Withholding from Payments for Services or Assets), 5737-1977, issued by the ITA will be deemed a Valid Certificate, provided that such certificate shall not be valid for transfers outside Israel or for payments not made in cash. The parties further agree that the Israeli Options Tax Ruling, the Interim Options Tax Ruling and the 104H Tax Ruling shall be deemed a Valid Certificate. For the avoidance of doubt, if a Valid Certificate was not obtained, the Payor, when a payment of the Consideration is made shall withhold tax in accordance with the withholding tax rates stipulated in the Israeli Income Tax Regulations (Withholding from Payments for Services or Assets), 5737-1977.

1.3.6.4. In the event that any Payor receives a written demand from the ITA to withhold any amount out of the amount in respect of any Person hereunder and transfer it to the ITA, the Payor (i) shall notify such Person of such matter promptly after receipt of such written demand, and provide such payee with reasonable time (but in no event less than 14 days unless otherwise required by the ITA or any applicable Tax Law) to attempt to delay such requirement or extend the period for complying with such requirement as evidenced by a written certificate, ruling or confirmation from the ITA, and (ii) to the extent that any such certificate, ruling or confirmation is not timely provided by such Person to the Investor and the relevant Payor, transfer to the ITA any amount so demanded, including any interest, indexation and fines required by the ITA in respect thereof, and such amounts shall be treated for all purposes of this Agreement as having been delivered and paid to such Person and the Payor shall timely provide the Person with a written confirmation of such tax withholding.

1.3.6.5. Israeli Tax Rulings. The Parties shall work together and cooperate in good faith so to take such actions, if and as required by the Representative (on behalf of Grantors) so to minimize tax implications for the Grantors. In furtherance of the foregoing, the Parties contemplate that as soon as reasonably practicable following delivery by Buyer of an Exercise Notice, Buyer and the Company shall jointly instruct their respective Israeli counsels to prepare and file with the ITA an application for the following tax rulings, all as and if required by the Company and/or the Representative (on behalf of Grantors):

(a) If the Option Purchased Securities include any Section 102 Options and/or Section 102 Shares, and the mandatory holding period therefor pursuant to Section 102 has not elapsed with respect to some, or all of the Section 102 Options and/or Section 102 Shares, a ruling that confirms that payment of the Exercise Price in consideration therefor: (i) shall not result in an immediate taxable event for the Person entitled to such options and shares, (ii) shall be taxed at capital gains rates or any other preferential tax rate, as may be agreed with the ITA, and, if applicable (iii) shall not affect the length of the holding period required with respect to such options and shares under the Section 102, which ruling may be subject to such terms regularly associated with such ruling (the “**Israeli Options Tax Ruling**”), and/or an interim tax ruling from the ITA (if applicable) confirming, among other things, that the Investor and anyone acting on its behalf shall be exempt from Israeli withholding Tax in relation to any payments made to the Paying Agent, Section 102 Trustee and/or anyone on their behalf (“Interim Options Tax Ruling”); Notwithstanding anything to the contrary herein, in the event that such Israeli Options Tax Ruling and/or Interim Options Tax Ruling are obtained, Israeli Tax withholding with respect to holders of Section 102 Options and/or Section 102 Shares shall be as determined in the Israeli Options Tax Ruling, or the Options Interim Tax Ruling, as applicable; and

(b) If the Exercise Price includes payment by means of Equity Consideration, then at the request of any Sellers, to be delivered through the Representative, the Company, through its legal and accounting representatives will approach the ITA with an application for a ruling (the “**104H Tax Ruling**”) permitting any such Seller, who elects to become a party to such a tax ruling (each, an “**Electing Holder**”), to defer any applicable Israeli Tax with respect to any Equity Consideration that such Electing Holder will receive pursuant to this Agreement until the date set forth in Section 104H of the Israel Tax Ordinance. Buyer shall reasonably cooperate with the Company, the Electing Holders and their Israeli counsel with respect to the preparation and filing of such application and in the preparation of any written or oral submissions that may be necessary, proper or advisable to obtain the 104H Tax Ruling; provided that the 104H Tax Ruling shall not impose any material restrictions or obligations other than restrictions applicable under the Israel Tax Ordinance, on Buyer, or the Company without the written consent of Buyer (such consent not to be unreasonably withheld, conditioned or delayed).

The Company shall use commercially reasonable efforts to promptly take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable under applicable law to obtain the 104H Tax Ruling, as promptly as practicable. For the avoidance of doubt, the Electing Holders, the Company and its and their respective legal and accounting representatives shall not make any application to the ITA with respect to any matter relating to the 104H Tax Ruling, without granting Buyer's Israel legal counsel the opportunity to review, comment on and approve the draft application in advance (which approval shall not be unreasonably withheld, delayed or conditioned), and the Electing Holders, the Company and its and their respective legal and accounting representatives will inform Buyer's Israel legal counsel in advance of the content of, and enable Buyer's Israel legal counsel to participate in, all material discussions and meetings with the ITA relating thereto. To the extent that Buyer's Israel legal counsel elects not to participate in any such meeting or discussion, the Electing Holders, the Company and its and their respective legal and accounting representatives shall provide Buyer's Israel legal counsel with an update of the discussions or meetings held with the ITA. The text of the applications for, filing relating to, and the final text of the 104H Tax Ruling, shall be subject to the prior written confirmation of Buyer or its Israel legal counsel, not to be unreasonably withheld, conditioned or delayed. Notwithstanding anything to the contrary in this Agreement, if the 104H Tax Ruling shall be received and delivered to the Paying Agent prior to the applicable withholding date, and no later than five Business Days prior to the Withholding Drop Date, in form and substance reasonably acceptable to Buyer, then the provisions of the 104H Tax Ruling, shall apply and all applicable withholding procedures with respect to any Electing Holders shall be made in accordance with Section 104H of the Israel Tax Ordinance, and the provisions of the 104H Tax Ruling. All expenses related to the issuance of the 104H Ruling shall be borne by the Company.

2. Option Closing.

2.1. Option Closing. Subject to the satisfaction (or waiver, to the extent permissible) of the conditions to closing set forth herein, the consummation of the purchase and sale of the Option Purchased Securities (the "**Option Closing**") shall take place remotely via the electronic exchange of documents and signatures, on the date set forth in the Exercise Notice, which shall be no later than thirty (30) Business Days following delivery of the Exercise Notice (the "**Option Closing Date**").

2.2. Transactions at the Option Closing. At the Option Closing, and subject to the terms and conditions of this Agreement, the following transactions shall take place simultaneously, and no transaction shall be deemed to have occurred until all such transactions have been completed:

2.2.1. The Investor (or its Affiliate, on its behalf) shall deliver by wire transfer of immediately available funds to the Paying Agent for further distribution to the Consideration Recipients in accordance with the Payment Schedule and the Paying Agent & Escrow Agreement:

2.2.1.1. if the entire Exercise Price is to be paid in cash, an amount in cash equal to the Exercise Price (determined in accordance with the Estimated Closing Statement, as defined below) less the Adjustment Escrow Amount; or

2.2.1.2. if the Investor elects partial payment in Equity Consideration pursuant to Section 1.3.3, ninety seven and one half percent (97.5%) of the cash portion of the Exercise Price, together with ninety seven and one half percent (97.5%) of the shares comprising the Equity Consideration;

2.2.2. Pursuant to Sections 2.2.2 and 2.2.3 the Investor (or its Affiliate, on its behalf) shall deliver to the Paying Agent:

2.2.2.1. if the entire Exercise Price is to be paid in cash, an amount in cash equal to the Adjustment Escrow Amount by wire transfer of immediately available funds; and

2.2.2.2. if the Investor elects partial payment in Equity Consideration pursuant to Section 1.3.3, two and one half percent (2.5%) of the cash portion of the Exercise Price, and 2.5% of the shares comprising the Equity Consideration (the “**Deposited Shares**”), into the Adjustment Escrow Account established pursuant to the Paying Agent & Escrow Agreement.

2.2.3. The Investor shall deliver to the Representative and the Paying Agent, a copy of the Paying Agent & Escrow Agreement duly executed by the Investor.

2.2.4. The Sellers and/or the Company, as applicable, shall deliver to the Investor:

2.2.4.1. an updated shareholder register of the Company, in the form attached hereto as Exhibit B evidencing that the Investor is the sole registered holder of all issued and outstanding Shares of the Company (other than the Shares of the Non-Signing Shareholders which are not transferred to the Investor at the Option Closing, if any) as of immediately following the Option Closing Date;

2.2.4.2. duly executed share transfer deeds from each Grantor in favor of the Investor, in the form attached hereto as Exhibit C together with corresponding share certificates (to the extent certificated), or affidavit of lost share certificate, and any other documents reasonably required to effect the legal and beneficial transfer of the Option Purchased Securities, Free and Clear;

2.2.4.3. a copy of the Paying Agent & Escrow Agreement duly executed by the Sellers; and

2.2.4.4. written resignations (or, where applicable, evidence of removal in accordance with the Amended Articles) of each director of the Company who was not nominated by the Investor, effective as of the Option Closing, in the form attached hereto as Exhibit D.

3. **Adjustment to Exercise Price**

3.1. **Estimated Closing Statement.** No later than five (5) Business Days prior to the Option Closing Date, the Company shall deliver to the Investor a written statement (the “**Estimated Closing Statement**”), setting forth the Company’s good-faith estimates of (i) the Determining Revenues, (ii) the Net Debt/Cash Position, (iii) the Company Exit Bonuses, in each case calculated as of the Option Closing Date and in accordance with the definitions set forth in this Agreement, and (iv) the resulting calculation of the Exercise Price to be paid at the Option Closing. The Estimated Closing Statement shall be prepared in accordance with US generally acceptable accounting principles, using the same accounting principles, practices, procedures, and policies used to prepare the Company’s annual audited financial statements last published prior to the date of the Exercise Notice (the “**Accounting Principles**” or “**GAAP**”). In the event the Company believes that the Company Enterprise Value would not be greater than the applicable Minimum Call Option EV it shall so notify the Investor, and in such event, the Company shall not be required to provide a calculation of Determining Revenues, and the Determining Revenues shall not be subject to further review or reference by any Party, including in connection with any Draft Closing Statement or any Objection Notice.

3.2. **Determination of Final Closing Statement.**

3.2.1. As soon as reasonably practicable and no later than 90 days after the Option Closing Date (the “**Draft Closing Statement Deadline**”), the Investor shall deliver to the Representative a written statement (the “**Draft Closing Statement**”) setting forth Buyer’s calculation of (i) the actual Determining Revenues (if relevant) and Net Debt/Cash Position as of the Option Closing Date, and (ii) the resulting calculation of the Adjusted Exercise Price, or an acceptance statement of the Estimated Closing Statement (the “**Buyer Acceptance Statement**”). The Closing Statement shall be prepared in accordance with definitions used herein and the Accounting Principles.

3.2.2. Review and Objections. Promptly upon delivery of the Draft Closing Statement, the Investor shall provide the Representative and its representatives with reasonable access to the working papers and supporting materials used in its preparation and applicable personnel of the Company. The Representative shall have 30 Business Days following receipt of the Draft Closing Statement (the “**Examination Period**”) to review and either accept the Draft Closing Statement (the “**Acceptance Notice**”) or deliver to the Investor a written notice of objections (an “**Objection Notice**”) describing in reasonable detail the items disputed and the grounds for such dispute. Failure to deliver an Objection Notice within the Examination Period shall constitute the Representative’s acceptance of the Draft Closing Statement.

3.2.3. Resolution of Disputes. If an Objection Notice is timely delivered, the Investor and the Representative shall attempt in good faith to resolve the disputed items. If they are unable to resolve all disputed items within fifteen (15) Business Days following delivery of the Objection Notice, either Party may refer the remaining unresolved items (and only those) set forth in the Objection Notice (the “**Unresolved Objections**”) to one of the Big Four accounting firms in Israel or such other independent accounting firm, as agreed between the Investor and the Representative (the “**Independent Accountant**”). Each of Buyer and the Representative shall promptly, but in no event later than twenty (20) Business Days following the referral of the Unresolved Objections to the Independent Accountant, prepare a written statement describing their respective positions with respect to the Unresolved Objections, which, together with the relevant documents, will be submitted to the Independent Accountant for review and final determination (“**Written Statement**”). Following submission of any Unresolved Objections to the Independent Accountant, Buyer and the Representative shall furnish the Independent Accountant with such information and documents as the Independent Accountant may reasonably request in order to resolve the Unresolved Objections. For the avoidance of doubt, the review of the Independent Accountant will be limited to the Unresolved Objections. The Independent Accountant shall determine its calculation of the Unresolved Objections in accordance with the definitions set forth in this Agreement and the Accounting Principles and may not deviate from the positions taken by each party’s Written Statement. Within ten (10) days after the date of receipt of the last Written Statement, the Independent Accountant shall make a determination as to the resolution of the Unresolved Objections and shall issue a written ruling of such resolution, which shall include an illustration of all adjustments (which for the avoidance of doubt shall only be related to the Unresolved Objections) to the Draft Closing Statement based on any resolutions to objections agreed upon by Buyer and the Representative and pursuant to the Independent Accountant’s resolution of the Unresolved Objections. The Independent Accountant shall make a determination only as to the Unresolved Objections and shall not decide any specific items not under dispute and its determination as to the Unresolved Objections shall be within the range of values assigned to each such disputed item in the Draft Closing Statement and the Objection Notice, respectively.

3.2.4. The Independent Accountant shall act as an expert (not an arbitrator), shall be instructed to resolve only those matters in dispute in accordance with GAAP and the principles set forth herein, and shall render its decision as promptly as practicable. The Final Closing Statement shall be conclusive, non-appealable and binding upon Buyer and the Representative, absent manifest error or fraud. Buyer and the Representative agree that the procedure set forth in this Section 3.2 for resolving disputes with respect to the Draft Closing Statement shall be the sole and exclusive method for resolving such disputes and the Final Closing Statement will be final, conclusive and binding on the parties; *provided*, that this provision shall not prohibit either Buyer or the Representative from instituting litigation to enforce the ruling of the Independent Accountant.

3.2.5. The fees, costs and expenses of the Independent Accountant shall be allocated to and borne by Buyer and the Representative, on behalf of the Consideration Recipients, based on the inverse of the percentage that the Independent Accountant's determination (before such allocation) bears to the total amount of the total Unresolved Objections originally submitted to the Independent Accountant. For example, should the Unresolved Objections total \$1,000 and the Independent Accountant awards \$600 in favor of the Representative's position, sixty percent (60%) of the costs of its review would be borne by Buyer and forty percent (40%) of the costs would be borne by the Representative (on behalf of Consideration Recipients).

3.2.6. Final Adjustment and Payments.

- (a) If the Adjusted Exercise Price, as determined in the Final Closing Statement (as defined below), exceeds the Closing Purchase Price (as defined below), the Investor shall, no later than seven (7) Business Days following the final determination of the Adjusted Exercise Price: (i) promptly instruct the Paying Agent to release and disburse the Adjustment Escrow Amount (including the Deposited Shares, if any) to the Consideration Recipients in accordance with the allocation provided in the Payment Schedule and subject to the provisions of the Paying Agent & Escrow Agreement, and (ii) pay to the Paying Agent by wire transfer of immediately available funds the amount of such excess for further distribution to the Consideration Recipients in accordance with the allocation provided in the Payment Schedule and subject to the provisions of the Paying Agent & Escrow Agreement.
- (b) If the Adjusted Exercise Price is less than the Closing Purchase Price, then: (A) to the extent the difference is less than or equal to the Adjustment Escrow Amount, the Representative shall promptly instruct the Paying Agent to disburse to the Investor an amount equal to such difference (which shall be allocated ratably between the respective cash and Deposited Shares comprising the Adjustment Escrow Amount), and to release any remaining balance of the Adjustment Escrow Amount and the Deposited Shares (if any) to the Consideration Recipients in accordance with the allocation provided in the Payment Schedule and subject to the provisions of the Paying Agent & Escrow Agreement; and (b) to the extent the difference exceeds the Adjustment Escrow Amount, the Representative shall promptly instruct the Paying Agent to release the entire Adjustment Escrow Amount and the Deposited Shares (if any) to the Investor or in accordance with its instructions, and the Consideration Recipients shall, severally and not jointly, each in accordance with its pro rata percentage of the Consideration as set forth in the Payment Schedule, within five (5) Business Days of such instruction, pay to the Investor the remaining shortfall, on a dollar-for-dollar basis, by wire transfer of immediately available funds to an account designated by the Investor.

(c) For the purposes of this Section 3.2, “**Final Closing Statement**” means and refers to: (i) the Estimated Closing Statement delivered by the Company to the extent Buyer provides a Buyer Acceptance Statement or fails to provide either a Buyer Acceptance Statement or a Draft Closing Statement by the Draft Closing Statement Deadline, (ii) the Draft Closing Statement delivered by Buyer if the Representative delivers to Buyer an Acceptance Notice or fails to deliver an Objection Notice by the lapse of the Examination Period; or (iii) the Draft Closing Statement as adjusted pursuant to the agreement between the Representative and the Investor and/or the Independent Accountant’s resolution of the Unresolved Objections; “**Adjusted Exercise Price**” means the Exercise Price as determined in the Final Closing Statement; and “**Closing Purchase Price**” means the aggregate Exercise Price paid at the Option Closing, including (i) any amount paid to the Representative ((including by deposit with the Paying Agent) for the benefit of the Sellers), and (ii) the Adjustment Escrow Amount deposited with the Paying Agent in accordance with Section 3.A. (including both cash and, if applicable, the value of any shares issued pursuant to Section 1.3.3).

(d) Any post-closing adjustment payments made under this Section 3.3 shall be treated as adjustments to the Exercise Price for all tax purposes.

3.2.7. Company Exit Bonuses. To the extent the Company Exit Bonuses are not paid by the Paying Agent from the Closing Purchase Price, any amount of the Company Exit Bonuses directly paid or furnished by the Company to employees of the Company in cash or Deposited Shares, will be reduced from the cash or Deposited Shares to be transferred to the Paying Agent pursuant to Section 2.2.1 or 2.2.2 above, and the dollar amount represented thereby shall be deemed as a payment of an equivalent amount of the Exercise Price. Where such payments are made directly by the Company, the Company may withhold two and a half percent (2.5%) of the applicable amount of Company Exit Bonuses so paid or payable, to be treated as a part of the Adjustment Escrow Amount due pursuant to Section 3.A. below, such amount to be treated in accordance with the terms of the Paying Agent & Escrow Agreement, mutatis mutandis.

3.2.8. Treatment of Company Milestone Bonuses. Company Milestone Bonuses, to the extent paid, will be accounted for by reducing the Company’s Aggregate Cash as of the Option Closing Date.

3.2.9. Treatment of Consideration between Consideration Recipients. As between the Consideration Recipients, for purpose of the allocation of Consideration between Consideration Recipients, the provisions of Articles 8.1.1.2 through 8.1.1.6 of the Amended Articles shall apply (thereby treating the acquisition by the Investor of the then outstanding equity interests of the Company hereunder as a Deemed Liquidation), where in such case the Distributable Proceeds (as defined in the Amended Articles) shall be deemed net of any Company Exit Bonuses that are paid.

3.A. Escrow. At the Option Closing, the Investor shall deposit into a separate escrow account maintained by the Paying Agent an amount equal to two and a half percent (2.5%) of the Exercise Price calculated based on the Estimated Closing Statement (the “**Adjustment Escrow Amount**”) for the purpose of satisfying any downward adjustment to the Exercise Price in favor of the Investor due to the calculation of Determining Revenues and/or Net Debt/Cash Position (as determined in accordance with the terms of this Agreement). The Adjustment Escrow Account shall be governed by the Paying Agent & Escrow Agreement.

4. The Representative

4.1. Each of the Sellers hereby irrevocably appoints Behir Sabban, Adv, of Sabban Law Offices (together with any successor appointed pursuant to this Section, the “**Representative**”) as its sole representative, attorney-in-fact and agent with full power of substitution to act in the name, place and stead of the Sellers with respect to this Agreement and the Paying Agent & Escrow Agreement and to take any and all actions and make any decisions required or permitted to be taken by the Representative under this Agreement or the Paying Agent & Escrow Agreement, including (a) receiving and giving notices and communications, (b) authorizing delivery of payments (including from the Adjustment Escrow Account) to the Sellers or to the Investor as appropriate, (c) agreeing to, negotiating, entering into settlements and compromises of, and otherwise administering and resolving disputes relating to the Adjustment Escrow Amount or the determination of the Exercise Price, and (d) engaging attorneys, accountants or other advisors as the Representative determines necessary or desirable. The Sellers acknowledge that the Representative is legal counsel to KT Squared, LLC, and nothing in his role as Representative, shall preclude him from continuing to advise KT Squared, LLC in that capacity.

4.2. The Sellers acknowledge and agree that the Investor shall be entitled to rely on any action or decision of the Representative as being binding on all of the Sellers, and shall have no responsibility to determine whether the Representative is acting in accordance with the instructions of the Sellers. All decisions and actions by the Representative, including any agreement between the Representative and the Investor relating to the determination of the Exercise Price or the disbursement of the Adjustment Escrow Amount, shall be binding upon all Sellers as if expressly confirmed and ratified in writing by each of them.

4.3. Each Seller hereby irrevocably constitutes and appoints the Representative, with full power of substitution, as its true and lawful proxy and attorney-in-fact (the “**Voting Proxy**”), to vote all of such Seller’s Shares and to exercise all rights, powers and privileges of such Seller with respect to such Shares (including the right to act by written consent) in accordance with the provisions of this Agreement and the transactions contemplated hereby, including without limitation in connection with any Company Acquisition (as defined below) or other resolution or action required to be approved by the Sellers or shareholders of the Company in order to effectuate the Option Closing. Each Seller agrees to take such further actions and to execute such further instruments as may be reasonably necessary to effectuate the foregoing. The grant of the Voting Proxy is coupled with an interest, shall be irrevocable and shall survive the death, incapacity, bankruptcy or liquidation of the Seller.

4.4. The Representative (through deposit with the Paying Agent) shall be the sole party entitled to receive payment of the Exercise Price on behalf of the Sellers. The Investor shall have no responsibility or liability whatsoever for the allocation, apportionment, or delivery of any amount received by the Representative to any Seller, and no Seller shall have any claim against the Investor in connection with any such distribution.

4.5. The Representative may resign at any time, and may be removed for any reason or no reason by the vote or written consent of a majority in interest (the “**Majority Sellers**”) of the Sellers according to each Sellers' pro rata share of all Shares held by the Sellers (“**Seller’s Pro-rata Share**”) ; *provided, however*, in no event shall Representative be removed without the Majority Sellers having first appointed a new Representative who shall assume such duties immediately upon the removal of Representative. In the event of the death, incapacity, resignation, or removal of Representative, a new Representative shall be appointed by the vote or written consent of the Majority Sellers, and if such appointment is not made within 30 days the Representative shall be KT Squared, LLC, until a successor Representative is appointed. Notice of such vote or a copy of the written consent appointing such new Representative shall be sent to Buyer, such appointment to be effective upon the later of the date indicated in such consent or the date such notice is received by Buyer; *provided*, that until such notice is received, Buyer shall be entitled to rely on the decisions and actions of the prior Representative as described above. If the Representative is dissolved, liquidated, ceases to exist, is declared bankrupt, enters into receivership or administration, resigns, or is otherwise unable or unwilling to act then the Majority Sellers may, by written notice to the Investor, appoint a successor Representative and if such appointment is not made within 30 days the Representative shall be KT Squared, LLC, until a successor Representative is appointed. Any such appointment shall be effective upon the delivery to the Investor of written notice of the appointment, together with a written acceptance of such appointment by the successor Representative. The removal of a Representative shall not be effective until such a successor has been duly appointed and accepted the role in writing.

4.6. The Representative may rely upon any document or communication believed to be genuine and may assume any Person purporting to act on behalf of a Seller has been duly authorized. The Representative shall not be liable to the Sellers for actions taken pursuant to this Agreement or the Paying Agent & Escrow Agreement/any Transaction Document, except to the extent such actions shall have been determined by a court of competent jurisdiction to have constituted gross negligence or involved fraud, intentional misconduct or bad faith (it being understood that any act done or omitted pursuant to the advice of counsel, accountants and other professionals and experts retained by Representative shall be conclusive evidence of good faith). The Sellers shall severally and not jointly (in accordance with each Seller's pro-rata share of the Consideration (less the amount of any Company Exit Bonuses paid or deducted therefrom)), indemnify and hold harmless Representative from and against, compensate it for, reimburse it for, and pay any and all losses, liabilities, claims, actions, damages, and expenses, including attorneys' fees and disbursements, arising out of and in connection with its activities as Representative under this Agreement and the Paying Agent & Escrow Agreement/any Transaction Document (the "**Representative Losses**"), in each case as such Representative Loss is suffered or incurred; *provided*, that in the event it is finally adjudicated that a Representative Loss or any portion thereof was primarily caused by the gross negligence, fraud, intentional misconduct or bad faith of Representative, Representative shall reimburse the Sellers the amount of such indemnified Representative Loss attributable to such gross negligence, fraud, intentional misconduct, or bad faith. The Representative Losses shall be satisfied: (i) first from the Representative Expense Amount; and (ii) to the extent the amount of the Representative Losses exceeds amounts available to Representative from the Representative Expense Amount, from the Sellers, severally and not jointly (in accordance with each Seller's pro-rata share of the Consideration (less the amount of any Company Exit Bonuses paid or deducted therefrom)). As soon as practicable after the date on which the final obligation of Representative under this Agreement and the Paying Agent & Escrow Agreement/any Transaction Document have been discharged or such other date as Representative deems appropriate, any remaining Representative Expense shall be released to the Consideration Recipients on a pro-rata basis between them (based on the portion of the Consideration each such Consideration Recipient is entitled to receive).

4.7. The Sellers shall jointly bear the Representative's costs and expenses (including professional advisor fees) incurred in connection with the performance of its duties under this Agreement, which may be paid directly from any amounts otherwise payable to Sellers, including from the Adjustment Escrow Account, and to the extent such amounts or not available or are insufficient, shall be paid by the Consideration Recipients on a pro-rata basis between them (based on the portion of the Consideration each such Consideration Recipient is entitled to receive). The Representative may withhold from, or cause to be deducted from, any amounts payable to the Sellers any amounts required to fund such expenses on a pro rata basis.

4.8. The Representative may act through one or more individuals or officers as it may designate from time to time in writing to the Investor. The Investor shall be entitled to rely upon the actions or signatures of any such designated individual as though they were taken or given by the Representative itself. Without limiting the foregoing, Behir Sabban, Adv., and such other Persons as may be designated in writing by the Representative, are hereby authorized to act on behalf of the Representative, and the Investor may rely on any such act or deed as the valid act or deed of the Representative.

5. Treatment of Non-Signing Shareholders

5.1. The Investor shall be obligated, upon exercise of the Call Option, to purchase all of the Option Purchased Securities which include all Shares held by the Grantors who are party to this Agreement and Vested Company Options, and the Shares held by Non-Signing Shareholders that are transferred pursuant to a Company Acquisition.

5.2. Subject to the following sentence, the Investor shall have sole discretion as to whether to acquire all (but not less than all) the Shares held by any or all Non-Signing Shareholders at the Option Closing. Without limiting the generality of the foregoing, the Investor may, and upon the demand of the Majority Sellers, shall, elect to pursue such acquisition (i) through the exercise of drag-along rights pursuant to the Amended Articles or (ii) by causing the acquisition of all outstanding Shares of the Company by way of a reverse triangular merger under the Companies Law 5759–1999; *provided* that the foregoing shall not require the Representative, acting on behalf of the Sellers, to agree to any change in form that will result in a reduction in the amount of Consideration payable in the aggregate to the Sellers (each, a "**Company Acquisition**").

5.3. The Sellers, in their capacity as shareholders of the Company, hereby irrevocably agree to vote (or cause to be voted) all Shares with respect to which such Sellers presently own or have voting power, and all Shares with respect to which such shareholders in the future acquire ownership or voting power (including through the exercise or conversion of any securities), at any meeting of the shareholders of the Company (including any class meetings), and in any action by written consent of the shareholders of the Company (or any class thereof), (i) in favor of the approval, consent, and ratification of the Company Acquisition by Buyer as contemplated by this Agreement, including, but not limited to, the exercise of any of shareholder's rights under the Company's constitutional documents to require all holders of Company share capital to sell such shares pursuant to an Acquisition, and (ii) against any action that would impede, interfere, or discourage any such Acquisition by Buyer, would facilitate an acquisition or change of control of the Company, in any manner, by a party other than Buyer. To the extent inconsistent with the foregoing provisions of this Section 5.3, each of the Sellers hereby irrevocably agrees to revoke any and all previous proxies with respect to any Shares that such shareholder owns or has the right to vote. Each Seller hereby irrevocably agrees not to demand, and hereby irrevocably waives, any and all rights to obtain payment of the fair value of its securities as afforded by statute, if any, or otherwise arising in connection with the approval, execution and delivery of this Agreement by such Seller and consummation of the transactions contemplated hereby and the approval execution and delivery of any agreement in connection with the exercise by Buyer of the Acquisition, including with respect to consummation of the transactions contemplated thereby. Each Grantor irrevocably agrees, and irrevocably instructs the Representative to, vote in favor of, consent to, and otherwise take all actions reasonably requested by the Investor in order to effectuate any Company Acquisition, including any resolutions of the Board or shareholders of the Company required to approve or implement such transaction. Each such Grantor further agrees, and irrevocably instructs the Representative to execute any documentation reasonably requested by the Investor in connection with the foregoing, in form and substance reasonably satisfactory to the Investor.

5.4. If the Shares held by Non-Signing Shareholders are not purchased by Investor in accordance with the terms of this Agreement, such Shares shall remain outstanding and held by such shareholders, and no special rights, privileges or obligations shall attach to such Shares or to such shareholders by virtue of the Investor's exercise of the Call Option or this Agreement.

5.5. The Investor shall have no responsibility or liability of any kind to any Non-Signing Shareholder in connection with the exercise of the Call Option, including without limitation the amount, structure, or allocation of consideration paid or not paid to such shareholders.

5.6. If, in connection with any Company Acquisition, any shareholder of the Company (other than the Grantors) validly asserts statutory appraisal rights or any similar rights under applicable law (a "**Dissenting Shareholder**"), and as a result thereof the Investor or the Company is required to pay to any such Dissenting Shareholder an amount in excess of the Exercise Price payable under this Agreement (including, for the avoidance of doubt, any interest, expenses, legal fees, or other costs), then: (a) the Grantors hereby irrevocably waive any claim for an upward adjustment to the Exercise Price or any other payment from the Investor in respect of any such appraisal rights or amounts paid to a Dissenting Shareholder; (b) the Investor shall be entitled to offset and deduct from the Exercise Price (including amounts payable to the Representative or any Grantor under the Adjustment Escrow Amount) any costs, expenses, payments or liabilities incurred or suffered in connection with the resolution or settlement of such appraisal or dissenters' rights, including but not limited to legal fees, expert costs, court-awarded amounts or settlement payments; and (c) the Representative shall, upon the Investor's instruction and without any requirement for further Seller consent, instruct the Paying Agent to release from the Adjustment Escrow Amount any such amounts owed to the Investor pursuant to clause (b), and any remaining balance in the Adjustment Escrow Account shall be distributed in accordance with Section 3.2.6.

6. Representations and Warranties of the Grantors

Each Grantor, severally and not jointly, and solely with respect to itself, hereby represents and warrants to the Investor, as of the date hereof and as of the Option Closing Date, as follows (provided that representations relating to accredited investor status shall apply only to those Grantors who are accredited investors):

6.1. Authorization; Capacity; No Conflicts. Each Grantor has full power, capacity and authority to execute and deliver this Agreement and to perform its obligations hereunder. If such Grantor is not an individual, it is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization and has all requisite corporate or equivalent power and authority to enter into this Agreement and to consummate the transactions contemplated hereby. This Agreement has been duly executed and delivered by such Grantor and constitutes a valid and binding obligation of such Grantor, enforceable against it in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting the enforcement of creditors' rights generally and to general principles of equity. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby will not result in any breach or violation of, or default under, (a) any law applicable to such Grantor, (b) any judgment, order or decree of any governmental authority binding on such Grantor, or (c) any agreement, contract or instrument to which such Grantor is a party or by which it or its assets are bound.

6.2. Title to Option Purchased Securities. Such Grantor is the sole legal and beneficial owner of the Option Purchased Securities set forth opposite its name in Schedule A, free and clear of any Encumbrances (including, for the avoidance of doubt, any transfer restrictions under the Articles or under applicable law, save for those that will be released or waived at or prior to the Option Closing in accordance with this Agreement). Upon delivery of the share transfer deeds at the Option Closing in accordance with this Agreement, the Investor will acquire full legal and beneficial title to such Option Purchased Securities, Free and Clear.

6.3. No Other Rights. Except as set forth in the Amended Articles, such Grantor is not a party to, or bound by, any option, warrant, call, subscription agreement, voting trust, proxy, pledge agreement, rights of first refusal, co-sale rights, or any other contract, agreement or understanding (whether written or oral) that requires or permits the sale, transfer, pledge, assignment or other disposition of any Option Purchased Securities (or any interest therein) to any Person other than the Investor, or that could require such Grantor to vote or transfer any Option Purchased Securities in any particular manner.

6.4. No Proceedings. There is no action, suit, proceeding, claim, arbitration, investigation or other legal proceeding pending or, to the knowledge of such Grantor, threatened against such Grantor with respect to the Option Purchased Securities or the transactions contemplated by this Agreement, nor is there any judgment, order or decree outstanding against such Grantor that would affect such Grantor's performance hereunder or the transfer of the Option Purchased Securities.

6.5. No Finder's Fees. No Person or entity is entitled to any brokerage, financial advisory, finder's or similar fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of such Grantor.

6.6. Solely to the extent that the payment of the Exercise Price includes Equity Consideration, then the following representations shall apply as of the Option Closing:

6.6.1. Purchase Entirely for Own Account. The Shares composing the Equity Consideration (the "**Purchased Securities**") will be acquired for investment for the Seller's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and the Seller has no present intention of selling, granting any participation in, or otherwise distributing the same. The Seller does not presently have any contract, undertaking, agreement or arrangement to sell, transfer or grant participation rights to any person with respect to any of the Purchased Securities. The Seller has not been formed for the specific purpose of acquiring the Purchased Securities.

6.6.2. Investment Experience; Accredited Investor; Non-U.S. Person. Each Grantor is a sophisticated, experienced investor in securities of companies in similar stage as the Buyer acknowledges that it is able to fend for itself, can bear the economic risk of its investment, and has such knowledge and experience in financial or business matters that it is capable of evaluating and understanding the merits and risks of the investment in the Purchased Securities. Each Grantor is either (i) an accredited investor as defined in Rule 501(a) of Regulation D promulgated under the Securities Act, (ii) a Non U.S. Person as defined under Regulation S promulgated under the Securities Act. To the extent that a Grantor is a non U.S. Person, such Grantor (x) is not acquiring Purchased Securities for the account or benefit of any U.S. Person, (y) is not, at the time of execution of this Agreement, and will not be, at the time of the Option Closing, in the United States and (z) is not a "distributor" (as defined in Regulation S promulgated under the Securities Act).

6.6.3. **Restricted Securities.** The Purchased Securities have not been and will not be registered under the Securities Act or any state securities laws and, therefore, cannot be resold unless they are registered under the Securities Act and applicable state securities laws or unless an exemption from such registration requirements is available. Seller is aware that, except as set forth in Section 11.1 below, the Company is under no obligation to effect any such registration or to file for or comply with any exemption from registration. The sale and issuance of the Purchased Securities have not been registered under the Securities Act by reason of a specific exemption from registration which depends upon, among other things, the accuracy of the Seller's representations as expressed herein.

6.6.4. **Legends.** The Purchased Securities may be notated with the following or a similar legend as well as other legends as may be required by applicable securities laws: "THE SHARES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO TRANSFER OF SUCH SHARES MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL IN A FORM SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933."

7. Representations and Warranties of the Investor

The Investor hereby represents and warrants to the Company and the Grantors, as of the date hereof and as of the Option Closing Date, as follows:

7.1. **Organization; Authority.** The Investor is duly organized, validly existing and in good standing under the laws of the State of Israel and has all requisite corporate or equivalent power and authority to enter into this Agreement and to perform its obligations hereunder and to consummate the transactions contemplated hereby. The execution, delivery and performance by the Investor of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by all necessary corporate or similar action. This Agreement constitutes a legal, valid and binding obligation of the Investor, enforceable against it in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting the enforcement of creditors' rights generally and to general principles of equity.

7.2. **No Conflict.** The execution, delivery and performance of this Agreement by the Investor and the consummation of the transactions contemplated hereby do not and will not (a) violate the organizational documents of the Investor, (b) conflict with or result in a breach of, or constitute a default under, any contract, agreement or instrument to which the Investor is a party or by which it is bound, or (c) violate any applicable law, judgment or order of any governmental authority binding on the Investor, except in each case as would not materially impair the Investor's ability to perform its obligations under this Agreement.

7.3. Consents and Approvals. No filing with, and no permit, order, authorization, registration, declaration, consent or approval of, any public or governmental body or authority is necessary for the execution, delivery and consummation by the Investor of the transactions contemplated by this Agreement.

7.4. No Finder's Fees. No Person or entity is entitled to any brokerage, financial advisory, finder's or similar fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Investor.

7.5. No Public Market. The Investor understands that the Option Purchased Securities have not been registered under any applicable securities law and no public market now exists for any of the securities issued by the Company and that the Company has made no assurances that a public market will ever exist for the Company's securities.

7.6. Available Funds. The Investor shall have as of immediately prior to the Option Closing sufficient funds to pay any amounts payable hereunder to be paid on such date in order to consummate any and all transactions contemplated hereby.

7.7. Equity Consideration Additional Reps

Solely to the extent that the payment of the Exercise Price includes Equity Consideration, then the following representations shall apply as of the Option Closing:

7.7.1. Buyer SEC Documents; Financial Statements; and Valid Issuance.

(a) With respect to the period commencing as of the date hereof, Buyer has timely filed all forms, reports and documents required under the Exchange Act to be filed with the SEC (the "**Buyer SEC Documents**"). Each of the Buyer SEC Documents, and all documents incorporated therein by reference, complied in all material respects with all applicable requirements of the Exchange Act and the rules and regulations promulgated thereunder, each as in effect on the dates such forms, reports, and documents were filed, and no such statement or report contained an untrue statement of a material fact or omitted to state any material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(b) Buyer has not, in the twelve (12) months preceding the date hereof, received notice from the NASDAQ Global Select Market to the effect that Buyer is not in compliance with the listing or maintenance requirements of such trading market. Buyer is in compliance in all material respects with all such listing and maintenance requirements and the consummation of the transactions contemplated by this Agreement do not violate any rules or regulations of the NASDAQ Global Select Market.

(c) Valid Issuance. The Purchased Securities to be issued pursuant to this Agreement will, when issued in accordance with the provisions of this Agreement, be validly issued, fully paid and nonassessable, and will not be subject to pre-emptive rights, rights of first refusal or other restrictions on transfer, other than restrictions which apply by virtue of applicable legal requirements.

8. Certain Covenants of the Company and the Grantors.

8.1. Issuance of Shares. The Company undertakes and covenants (and the Grantors undertake to apply all of their voting power in the Company to cause the Company to comply with such undertakings and covenants) that, from the date hereof until the Call Option Termination Date, any issuance of Shares or of any convertible, exercisable or exchangeable securities (including options, warrants, or other instruments exercisable, convertible or exchangeable for Shares), by the Company shall be expressly conditioned upon the recipient of such Shares or other securities becoming a party to this Agreement by executing and delivering a joinder or counterpart hereto in form and substance satisfactory to the Investor, thereby becoming subject to the terms and conditions of this Agreement as a "Grantor" with respect to the Shares so issued or issuable upon conversion, exchange or exercise of such other securities. The Company shall not register, and the Grantors shall not approve or otherwise permit, any such issuance unless and until such joinder has been duly executed and delivered to the Investor.

8.2. No Transfers. Each Grantor severally and not jointly, further covenants that, except as may be required to give effect to the transactions contemplated hereby or with the prior written consent of the Investor (and subject to the conditions determined by it), it shall not, directly or indirectly, sell, assign, transfer, pledge, encumber, hypothecate or otherwise dispose of any of its Shares or any interest therein, nor create any Encumbrance thereon, nor enter into any agreement to do any of the foregoing, prior to the earlier of the Option Closing or 11:59 PM and 59 seconds (Israel time) on the Call Option Termination Date, if no Exercise Notice has been provided by the Investor prior to such time.

8.3. Further Assurances. The Company, the Grantors, the Representative and the Investor shall take, or cause to be taken, all actions and do, or cause to be done, all things necessary or desirable to consummate and make effective the transactions contemplated by this Agreement. At the Option Closing, the Grantors shall, at the request of the Investor and without further consideration, execute and deliver further instruments of transfer and assignment and take such other action as the Investor may reasonably require to more effectively transfer and assign to the Investor the Option Purchased Securities.

8.4. Power of Attorney. Without derogating from the Sellers' and the Representative's obligations set forth herein, the Grantors hereby appoints the Representative as its attorney in fact, with full power and authority to act on behalf of each Grantor such that in the event that any Grantor fails to transfer any of the Option Shares pursuant to this Agreement, Representative shall be the attorney of such Grantor with full power to execute, complete and deliver, in the name and on behalf of such Grantor transfers of the Option Purchased Securities to the Investor against payment of the Exercise Price to such Grantor in the manner provided for in this Agreement. Notwithstanding any resignation of the Representative, the power of attorney provided in this Section 8.4 shall remain in effect and may not be transferred to any successor Representative without the written consent of the Investor, which consent shall not be unreasonably withheld. Upon payment of the Exercise Price to such Grantor in the manner provided for in this Agreement, the Investor shall be deemed to have obtained a good discharge for such payment. The Representative shall have no liability to any Grantor or third party for actions taken pursuant to this power of attorney, and each Grantor hereby agrees to indemnify and hold harmless the Representative from any claims, losses, or expenses arising from the Representative's exercise of this power of attorney, except in cases of the Representative's gross negligence or willful misconduct as finally adjudicated by a court.

8.5. Release. Each Grantor, on its own behalf and on behalf of its respective Affiliates, representatives, heirs, successors and assigns (collectively, the “**Grantor Releasing Parties**”), hereby absolutely, unconditionally and irrevocably releases and forever discharges the Company and its present and former Affiliates, successors and assigns, and their respective representatives, shareholders, members and partners (collectively, the “**Company Released Parties**”), with effect as of the Option Closing (and conditioned upon the consummation thereof), from any and all claims, causes of action, legal proceedings, liabilities, losses, costs, reimbursements, damages (whether for compensatory, special, incidental or punitive damages, equitable relief or otherwise), demands, recoveries, indemnities and obligations of any kind, whether in law, equity or otherwise, whether known or unknown, whether concealed or hidden, whether disclosed or undisclosed, whether contingent or absolute, whether liquidated or unliquidated, whether foreseeable or unforeseeable, whether foreseen or unforeseen, whether anticipated or unanticipated, whether suspected or unsuspected and whether arising by operation of law or otherwise, which such Grantor Releasing Parties ever have had, or ever may have in the future, against the Company Released Parties and which are based on acts, events or omissions occurring up to and including the Option Closing (the “**Released Claims**”). Released Claims include, without limitation, any claims relating to or arising from preemptive rights, rights of first offer, rights of first refusal, co-sale rights, over-allotment rights or other participation rights or timely notice thereof that any Grantor may have had under (i) the Company’s Articles of Association (as amended from time to time), (ii) any other agreement, document or instrument, (iii) any other understanding or arrangement with the Company, or (iv) any applicable law. Each Grantor, on behalf of itself and the Grantor Releasing Parties, acknowledges that it may hereafter discover facts in addition to or different from those which it now knows or believes to be true with respect to the subject matter of the Released Claims, but intends to and, by operation of this Agreement, shall have fully, finally and forever settled and released any and all Released Claims, without regard to the subsequent discovery or existence of such different or additional facts. Without derogating from the foregoing, it is hereby expressly stated the Released Claims shall not include: (i) any right of a Grantor under this Agreement or any related Agreement, including any rights to payments pursuant to this Agreement or the transactions contemplated hereby, (ii) any rights to continuing indemnification under (A) any indemnification agreement to which a Seller (or any representative thereof) and the Company are parties to, or (C) the D&O Tail Insurance, or (iii) relating to or arising from any commercial relationship such Grantor may have with the Company or any of its respective Affiliates independently from its role as a shareholder of the Company.

8.6. Covenant Not to Sue. With effect as of the Option Closing, each Grantor, on behalf of itself and the Grantor Releasing Parties, agrees that it shall not, in its own capacity, or as successor, assignor or assignee, or otherwise, assert, commence, join in, or assist or encourage any third party in asserting, any claim against any Company Released Party with respect to any of the matters released under Section 8.5.

9. Conditions to the Option Closing

9.1. The respective obligation of each Party to consummate the Option Closing shall be subject to the satisfaction (or waiver in writing by the Investor, the Company and the Representative) of each of the following conditions as of the Option Closing Date:

9.1.1. No Legal Impediment. There shall not be in effect any order, law, rule or regulation restraining, enjoining or otherwise prohibiting the consummation of the Option Closing (including, any anti-trust filing or approval if and to the extent legally required), and no action or proceeding by any governmental authority shall be pending or threatened before any court or administrative body seeking to restrain or prohibit or impose any material condition on the consummation of the transactions contemplated hereby.

9.2. The obligations of the Investor to consummate the Option Closing shall be subject to the satisfaction (or waiver in writing by the Investor) of each of the following conditions as of the Option Closing Date:

9.2.1. Representations and Warranties. The representations and warranties of the Grantors set forth in Section 6 shall be true and correct in all material respects as of the Option Closing Date.

9.2.2. Covenants. The Grantors and the Company shall have duly performed and complied in all material respects with all covenants and obligations to be performed by them under this Agreement prior to or at the Option Closing.

9.2.3. No Legal Impediment. There shall not be in effect any order, law, rule or regulation restraining, enjoining or otherwise prohibiting the consummation of the Option Closing, and no action or proceeding by any governmental authority shall be pending or threatened before any court or administrative body seeking to restrain or prohibit or impose any material condition on the consummation of the transactions contemplated hereby.

9.2.4. No Material Adverse Change. Since the date of the Exercise Notice, there shall not have occurred any Material Adverse Change.

9.2.5. Company Acquisition. If the Investor consummates the acquisition of 100% of the Shares of the Company by way of a Company Acquisition (as defined in Section 5.2), all necessary resolutions of the Company's board of directors and shareholders to authorize such Company Acquisition shall have been duly adopted, all documentation required to implement the Company Acquisition shall have been duly executed and delivered by the parties thereto (other than the Investor or its affiliates), and all statutory or other waiting periods required under applicable law shall have expired or been waived.

9.2.6. Third-Party Consents. All consents, approvals, waivers or authorizations required to be obtained from any third party (including lenders, lessors, or counterparties to material contracts) or from any governmental or regulatory authority in connection with the transactions contemplated by this Agreement (including any Company Acquisition, if applicable) shall have been obtained and shall be in full force and effect.

9.2.7. Delivery. Each of the documents and deliveries set forth in Section 2.2.4 shall have been duly and timely delivered to the Investor, and all such documents shall be in full force and effect as of the Option Closing.

9.3. The obligations of the Grantors to consummate the Option Closing with respect to the Option Purchased Securities Shares shall be subject to the satisfaction (or waiver in writing by the Representative) of each of the following conditions as of the Option Closing Date:

9.3.1. Purchase Price. The Investor (or its designated Affiliate) shall have paid the Closing Purchase Price in accordance with Section 2.2.1, including any partial payment in shares if elected by the Investor pursuant to Section 1.3.3.

9.3.2. Escrow Deposit. The Investor shall have deposited the Adjustment Escrow Amount with the Paying Agent pursuant to Section 3.5.

9.3.3. Representations and Warranties. The representations and warranties of the Investor set forth in Section 7 shall be true and correct in all respects as of the Option Closing Date. The Representatives shall have received a certificate dated the Option Closing Date and signed on behalf of Buyer by an authorized signatory of Buyer, confirming the foregoing.

9.3.4. Covenants. The Investor shall have duly performed and complied in all material respects with all covenants and obligations to be performed by it under this Agreement prior to or at the Option Closing. The Representative shall have received a certificate dated the Option Closing Date and signed on behalf of Buyer by an authorized signatory of Buyer, confirming the foregoing.

9.3.5. No Legal Impediment. There shall not be in effect any order, law, rule or regulation restraining, enjoining or otherwise prohibiting the consummation of the Option Closing, and no action or proceeding by any governmental authority shall be pending or threatened before any court or administrative body seeking to restrain or prohibit or impose any material condition on the consummation of the transactions contemplated hereby.

10. Termination.

10.1. The Call Option shall automatically terminate upon the earliest of (such date, the “**Call Option Termination Date**”):

10.1.1. The consummation of the Option Closing (provided, however, that all provisions relating to the period following the Option Closing shall remain in effect);

10.1.2. 11:59 PM and 59 seconds (Israel time) on the Call Option Expiry Date, if no Exercise Notice has been provided by the Investor prior to such time; or

10.1.3. Following the repayment in full of the Loan Amount when it becomes due and payable in accordance with the Investment Agreement.

10.1.4. The date (if any) upon which the Investor constitutes a “Defaulting Investor” as defined and in accordance with the provisions of the Investment Agreement.

10.1.5. Pursuant to section 2.4.6.2 of the Investment Agreement, , where Investor elects not to proceed to invest in the Company due to the occurrence of a Material Adverse Change, upon the date of the applicable Officer’s Certificate (as defined in the Investment Agreement).

10.1.6. Immediately prior to the consummation of the Acquisition Transaction (as defined in the Amended Articles) pursuant to Article 143 of the Amended Articles (Call Option Carveout).

10.2. For the avoidance of any doubt, except as expressly provided in this Section 10, the Call Option shall remain in full force and effect until and including the Call Option Expiry Date and may not be terminated by the Company, the Grantors, or the Representative for any reason whatsoever.

11. Mutual Covenants

11.1. Solely to the extent that the payment of the Exercise Price includes Equity Consideration, then the Buyer undertakes as follows: Buyer shall use commercially reasonable efforts to file as soon as practicable following the Option Closing a resale registration statement on Form F-3 or other applicable form (each, a “**Registration Statement**”) providing for the resale of the shares issued as Equity Consideration by the Grantors and use commercially reasonable efforts to cause the Registration Statement to be declared effective as soon as practicable, and to take all commercially reasonable efforts to ensure that such Registration Statement remains effective until the earlier of: (i) twelve (12) months after the Option Closing and (ii) the date that all of such Buyer’s shares, as the case may be, have been sold. Buyer shall cause any such Registration Statement to materially comply with all applicable requirements of federal and state securities laws of the United States. Each relevant Grantor to be issued such shares, hereby (i) consents to the use of its name and to the inclusion of business information relating to it in any such Registration Statement; (ii) agrees to provide promptly to Buyer such information concerning its business and affairs as may reasonably be requested by Buyer for inclusion in any such Registration Statement, or in any amendments or supplements thereto; and (iii) agrees to cause its counsel to cooperate with Buyer’s counsel in the preparation of any such Registration Statement. Each such Grantor shall promptly advise Buyer, in writing, if at any time prior to the effectiveness of any such Registration Statement, Grantor shall obtain knowledge of any facts that might make it necessary or appropriate to amend or supplement any such Registration Statement in order to make the statements contained or incorporated by reference therein not misleading or to comply with applicable Legal Requirements. The Buyer shall bear the expenses of one counsel for the Grantors in connection with such Registration Statement.

11.2. D&O Insurance; Indemnification and Exculpation.

- (a) As of the Option Closing Date, each of the Company and its Subsidiaries shall maintain, for a period of seven (7) years after the Option Closing Date, the Company’s and its Subsidiaries’ current directors’ and officers’ liability insurance in respect of acts or omissions occurring at or prior to the Option Closing, covering each Person currently covered by the Company’s and its Subsidiaries’ directors’ and officers’ liability insurance policy, on terms with respect to such coverage and amount no less favorable than those of such policy in effect on the date hereof (“**D&O Tail Insurance**”).
- (b) the Buyer shall not, and shall cause the Company and its Subsidiaries not to, amend, repeal, or otherwise modify the obligations with respect to all rights to indemnification and exculpation from liabilities for acts or omissions occurring at or prior to the Option Closing now existing in favor of the current or former directors or officers of the Company and its Subsidiaries as provided in the Company’s and its Subsidiaries’ Articles of Association or organizational documents, as in effect on the date hereof, without further action, as of the Option Closing, and such obligations shall survive the Option Closing and shall continue in full force and effect (except as otherwise required by applicable Law) in accordance with their terms.
- (c) In the event that the Company or any of its Subsidiaries or any of their successors or assignees (i) consolidates with or merges into any other Person and is not the continuing or Company or any of its Subsidiaries or entity of such consolidation or merger or (ii) transfers or conveys all or substantially all its properties and assets to any Person, then, and in each case, Buyer and the Company or any of its Subsidiaries, as the case may be, shall cause provision to be made so that successors and assignees of the Company or any of its Subsidiaries, as the case may be, assume the obligations set forth in this Section 11.2. The provisions of this Section 11.2 are (x) intended to be for the benefit of, and will be enforceable by, each current or former director or officer of the Company or any of its Subsidiaries, as the case may be, his or her heirs and his or her representatives and (y) are in addition to, and not in substitution for, any other rights to indemnification or contribution that any such Person may have by contract or otherwise.

11.3. **Publicity.** No Party shall issue a press release or public announcement or otherwise make any public disclosure (nor shall the Company communicate with any of its employees or permit any Company personnel to do so, except for communications with such employees, representatives, agents, shareholders, partners, Affiliates and/or agencies necessary for the Company to satisfy its obligations hereunder), concerning the subject matter of this Agreement (including its existence) without the prior written approval of the Representative or the Buyer, as applicable; provided that the Parties shall be permitted to issue a press release in agreed form on the date hereof; provided further that any Party may make any public disclosure it believes based upon opinion of counsel is required by applicable law or stock market rule and in such case (other than disclosure pursuant to stock market rule or securities laws) such Party must, prior to making such disclosure, (a) use commercially reasonable efforts to advise the other Parties of such disclosure (including a copy thereof) as far in advance of such disclosure as is reasonably practicable and (b) consult with the other Parties with respect to the content of such disclosure.

12. **Miscellaneous.**

12.1. **Governing Law.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Israel, without regard to conflict of law principles that would result in the application of the laws of any other jurisdiction.

12.2. **Jurisdiction.** The competent courts located in Tel Aviv, Israel shall have exclusive jurisdiction over any disputes arising out of or relating to this Agreement, and each of the Parties hereby submits irrevocably to the jurisdiction of such courts.

12.3. **Amendment and Waiver.** No amendment, modification or waiver of any provision of this Agreement shall be effective unless in writing and signed by the Investor and the Representative (on behalf of the Grantors); provided, however, that a waiver by a Party of any breach or failure to comply with any provision hereof shall not operate as or be construed to be a waiver of any other breach or failure.

12.4. **Entire Agreement.** This Agreement (including the preamble, recitals, Exhibits, and Schedules hereto), together with any joinders (including Optionee/ Warrantholder Joinders) and the Paying Agent & Escrow Agreement, constitutes the entire agreement and understanding between the Parties with respect to the subject matter hereof and supersedes all prior written or oral agreements or understandings relating thereto. In the event of any conflict or inconsistency between the terms of this Agreement and the Investment Agreement, the terms of this Agreement shall govern and control.

12.5. **Notices.** All notices and other communications required or permitted under this Agreement shall be in writing and shall be deemed given: (a) when delivered personally; (b) when sent by email with confirmation of delivery if sent during normal business hours, and otherwise on the next Business Day; (c) ten (10) days after being mailed by registered or certified mail, postage prepaid, return receipt requested; or (d) two (2) Business Days after being sent via an internationally recognized overnight courier with written confirmation of delivery. Notices shall be sent to the addresses (or email addresses) specified below, or to such other address as a Party may from time to time notify in writing:

Company

Neurolif Ltd.
12 Giborei Israel, Netanya, Israel, 4250412
Attn: Chief Executive Officer
E-mail: scott.drees@neurolif.com

With a copy (which shall not constitute service of process) to:

Amit, Polak, Matalon & Co.
18 Raoul Wallenberg St.
Building D
6th floor
Tel Aviv 6971915

Attn: James Raanan, Adv.
E-mail: jamesr@apm.law

Representative

Sabban Law Offices
Beit Manzur
7th Floor
2 HaNofar Street
Ra'anana 4366402, Israel
Attn: Behir Sabban, Adv.
E-mail: behir@sabbanlaw.com

Investor

BrainsWay Ltd.
16 Hartum Street, 3rd Floor, RAD Tower,
Jerusalem, 9777516, Israel
Attn: Menachem Klein, General Counsel
E-mail: MKlein@brainsway.com

With a copy (which shall not constitute service of process) to:

S. Friedman, Abramson & Co,
Azrieli Town, 146 Menachem Begin Road,
Tel Aviv-Jaffa, Israel
Attn: Sarit Molcho and Simon Synett
E-mail: Saritm@sfa.law; Simons@sfa.law

12.6. Severability. In the event one or more of the provisions of this Agreement should, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions of this Agreement, which shall remain enforceable, to the fullest extent permitted by law. Furthermore, to the fullest extent possible, the provisions of this Agreement (including, without limitation, the portion of this Agreement containing any provision held to be invalid, illegal or unenforceable that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable.

12.7. Expenses. Except as expressly set forth herein, each Party shall bear its own costs and expenses in connection with the negotiation, preparation, execution and performance of this Agreement and the transactions contemplated hereby.

12.8. Specific Performance. Each of the Parties acknowledges and agrees that the rights of each Party to consummate the transactions contemplated by this Agreement are unique and that any breach of this Agreement may cause irreparable harm to the non-breaching Party for which monetary damages would not be an adequate remedy. Accordingly, each Party shall be entitled to seek specific performance of the terms and provisions of this Agreement and to obtain injunctive or other equitable relief to prevent any breach, or to enforce the observance and performance of any covenant, obligation, agreement, term or condition hereof, in addition to any other remedy to which it may be entitled at law or in equity. The Parties hereby waive (a) any requirement for the securing or posting of any bond in connection with any such remedy, and (b) any defense that a remedy at law would be adequate.

12.9. Counterparts. This Agreement may be executed in two or more counterparts (including counterparts transmitted by electronic mail in PDF format), each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

12.10. Successors and Assigns. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned, in whole or in part, by operation of Law or otherwise by any of the Parties without the prior written consent of the other Parties. Notwithstanding the foregoing, Buyer shall have the right to assign this Agreement without the prior written consent of the other Parties (i) to any of its Affiliates, *provided, however*, that that no such assignment or transfer shall become effective unless each such Affiliate has provided the Company and the Representative with a confirmation in writing that it is bound by all terms and conditions of this Agreement and each of the Transaction Documents (as defined in the Investment Agreement) as if it were an original party to it; and *provided further*, that Buyer shall agree to guarantee the obligations of such Affiliate hereunder and under the Transaction Documents; or (ii) to an acquiror in connection with a sale of all or substantially all of its assets or business (whether by merger, asset sale, share sale or otherwise), provided that such acquiror has provided the Company and the Representative with a confirmation in writing that it is bound by all terms and conditions of this Agreement and each of the Transaction Documents as if it were an original party to it. For avoidance of doubt, any payment of the Exercise Price in Equity Consideration, if made according to the provisions of this Agreement, shall solely relate to tradable shares of the Buyer itself (and not shares of any other entity) regardless of whether or not the Buyer assigned its rights and obligations herein pursuant to this Section 12.10. Subject to the preceding sentence, the provisions hereof shall inure to the benefit of, and be binding upon, the successors and assigns of the parties hereto.

12.11. Titles and Subtitles. The titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

12.12. Further Assurances. Each of the parties hereto shall perform such further acts and execute such further documents as may reasonably be necessary to carry out and give full effect to the provisions of this Agreement and the intentions of the parties as reflected thereby.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

[EXECUTION PAGE 1 TO CALL OPTION AGREEMENT]

IN WITNESS WHEREOF, the Company, the Investor and the Representative have executed this Call Option Agreement as of the date set forth in the first paragraph hereof.

Neuroliet Ltd.

By (sign name): _____
Print Name: _____
Title: _____
Date: _____

Brainsway Ltd.

By (sign name): _____
Print Name: _____
Title: _____
Date: _____

Behir Sabban, Adv.

By (sign name): _____
Print Name: _____
Title: _____
Date: _____

[EXECUTION PAGE __ TO CALL OPTION AGREEMENT]

IN WITNESS WHEREOF, the Grantors have executed this Call Option Agreement as of the date set forth in the first paragraph hereof.

Terralab Ventures L.P.

By (sign name): _____
Print Name: Astorre Modena; Harold Weiner
Title: _____
Date: _____

Terra Ventures Partners II SCA SICAR

By (sign name): _____
Print Name: Astorre Modena; Harold Weiner
Title: _____
Date: _____

Shmuel Shany

By (sign name): _____
Print Name: Shmuel Shany
Title: _____
Date: _____

Efrat Kantor

By (sign name): _____
Print Name: Efrat Kantor
Title: _____
Date: _____

Terra Ventures Partners II (Cayman) L.P.

By (sign name): _____
Print Name: Astorre Modena; Harold Weiner
Title: _____
Date: _____

Amit Dar

By (sign name): _____
Print Name: Amit Dar
Title: _____
Date: _____

Jonathan Bar-Or

By (sign name): _____
Print Name: Jonathan Bar-Or
Title: _____
Date: _____

KT Squared LLC

By (sign name): _____
Print Name: Gabriel Merkin
Title: _____
Date: _____

Mont Pelerin Capital Limited

By (sign name): _____
Print Name: Amir Weitmann; Arie Benguigui
Title: _____
Date: _____

Izba S.A

By (sign name): _____
Print Name: Sergio Fogel
Title: _____
Date: _____

Shevet 5G LLC

By (sign name): _____
Print Name: Baruch Glaubach
Title: _____
Date: _____

MLS Properties LLC

By (sign name): _____
Print Name: Shlomo Spetner
Title: _____
Date: _____

Marc Epstein

By (sign name): _____
Print Name: Marc Epstein
Title: _____
Date: _____

Deborah Edelstein Weiss

By (sign name): _____
Print Name: Deborah Edelstein Weiss
Title: _____
Date: _____

Sergio Fogel

By (sign name): _____
Print Name: Sergio Fogel
Title: _____
Date: _____

Esther Muschel Holdings LLC

By (sign name): _____
Print Name: Esther Muschel
Title: _____
Date: _____

Michael Deouell

By (sign name): _____
Print Name: Michael Deouell
Title: _____
Date: _____

Eaton Associates

By (sign name): _____
Print Name: Marc Epstein
Title: _____
Date: _____

Mark Hetterley
By (sign name): _____
Print Name: Mark Hetterley
Title: _____
Date: _____

Michael Steinhardt
By (sign name): _____
Print Name: Michael Steinhardt
Title: _____
Date: _____

Drakanea Management Ltd.
By (sign name): _____
Print Name: Mark Vickers; Matthew Toussaint
Title: _____
Date: _____

Scott Drees
By (sign name): _____
Print Name: Scott Drees
Title: _____
Date: _____

Sawai Group Holdings Co. Ltd.
By (sign name): _____
Print Name: _____
Title: _____
Date: _____

Keren Keshet - The Rainbow Foundation
By (sign name): _____
Print Name: Yehuda Novick
Title: _____
Date: _____

David Steinhardt
By (sign name): _____
Print Name: David Steinhardt
Title: _____
Date: _____

Thomas Hook
By (sign name): _____
Print Name: Thomas Hook
Title: _____
Date: _____

Anthony Borowicz
By (sign name): _____
Print Name: Anthony Borowicz
Title: _____
Date: _____

Avinoam Rosenzweig
By (sign name): _____
Print Name: Avinoam Rosenzweig
Title: _____
Date: _____

Uriel Rosenzweig

By (sign name): _____
Print Name: Uriel Rosenzweig
Title: _____
Date: _____

James Rosenzweig

By (sign name): _____
Print Name: James Rosenzweig
Title: _____
Date: _____

EXHIBIT A
OPTIONEE/ WARRANTHOLDER JOINDER AGREEMENT

This Joinder Agreement (this “**Joinder**”) is entered into as of _____, 2025, by and between [OPTION/ WARRANT HOLDER NAME], an individual/entity (the “**Option Holder**”), and the parties to that certain Call Option Agreement dated as of _____, 2025 (the “**Call Option Agreement**”), by and among BrainsWay Ltd., an Israeli public company (the “**Buyer**”), Neurolief Ltd., a company organized under the laws of the State of Israel (the “**Company**”), and the securities holders of the Company listed in Schedule A thereto (the “**Grantors**”).

1. RECITALS

WHEREAS, the Option Holder is a holder of certain securities of the Company as set forth in Section 4 below; and

WHEREAS, pursuant to Section [●] of the Call Option Agreement, the Option Holder desires to become bound by the Call Option Agreement as a Grantor thereunder with respect to such securities; and

WHEREAS, the execution and delivery of this Joinder by the Option Holder is a condition precedent to the Option Holder becoming bound as a Grantor under the Call Option Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Option Holder hereby agrees as follows:

2. Joinder and Binding Effect

By executing and delivering this Joinder, the Option Holder hereby agrees to become bound by, and shall become a party to, the Call Option Agreement as a “Grantor” thereunder, and shall be bound by and comply with all of the terms, conditions, obligations, covenants, representations, warranties and agreements set forth in the Call Option Agreement that are applicable to the Grantors thereunder with respect to the Option Purchased Securities, with the same force and effect as if the Option Holder had been an original signatory thereto. The Option Holder acknowledges and agrees that upon execution of this Joinder, all references to “Grantor” or “Grantors” in the Call Option Agreement shall be deemed to include the Option Holder.

For purposes of the Call Option Agreement, the Option Holder’s “Option Purchased Securities” shall consist of those Company securities identified in Section 4 of this Joinder. The parties to the Call Option Agreement shall treat the Option Holder as a Grantor for all purposes under the Call Option Agreement, and the Option Holder shall be entitled to all rights, and subject to all obligations, of a Grantor thereunder.

3. Representations and Warranties

Without derogating from the Representations and Warranties set forth in Section 6 of the Call Option Agreement, all of which are deemed made by the Option Holder, the Option Holder hereby represents and warrants to the Buyer and the Company as follows:

3.1 The Option Holder is the sole legal and beneficial owner of the Option Purchased Securities, free and clear of any liens, charges, pledges, security interests, encumbrances or other third-party rights of any nature whatsoever (collectively, “**Encumbrances**”), and upon exercise of the Call Option by the Buyer, the Option Holder will transfer to the Buyer good and valid title to the Option Purchased Securities, free and clear of any Encumbrances.

3.2 The Option Holder has full legal capacity and authority to execute and deliver this Joinder and to perform its obligations hereunder. This Joinder has been duly executed and delivered by the Option Holder and constitutes the legal, valid and binding obligation of the Option Holder, enforceable against the Option Holder in accordance with its terms.

3.3 The execution, delivery and performance by the Option Holder of this Joinder and the consummation of the transactions contemplated hereby do not and will not: (i) violate or conflict with any law, statute, rule, regulation, judgment, order, writ or decree of any governmental authority applicable to the Option Holder; (ii) violate or conflict with any agreement, arrangement or understanding to which the Option Holder is a party or by which the Option Holder or the Option Purchased Securities may be bound; or (iii) require any consent, approval or authorization of any person or entity.

4. Option Securities Coverage

The Option Holder hereby confirms and agrees that all of their Vested Company Options and Option Purchased Securities, as defined in the Call Option Agreement, shall be subject to the terms and conditions of the Call Option Agreement. As of the date hereof, the Option Holder’s securities that are subject to the Call Option Agreement consist of:

(a) _____ [Vested Company Options / Warrants] to purchase _____ [Ordinary Shares/Preferred ___] of the Company at an exercise price of NIS _____ per share; and

(b) _____ Option Purchased Securities consisting of _____ [specify type] shares of the Company.

The Option Holder acknowledges and agrees that any additional Company securities that the Option Holder may acquire after the date hereof, whether through exercise of options, warrants, conversion of convertible securities, or otherwise, shall automatically become subject to the Call Option Agreement without need for further action or documentation.

5. Acknowledgment of Terms

The Option Holder hereby acknowledges and confirms that it has received, carefully reviewed and fully understands all terms, conditions and provisions of the Call Option Agreement. The Option Holder further acknowledges that it has had the opportunity to consult with legal counsel of its choice regarding the Call Option Agreement and this Joinder. The Option Holder enters into this Joinder freely and voluntarily, with full knowledge of its significance, and with the intent to be legally bound by all terms and conditions contained in the Call Option Agreement.

6. Governing Law and Jurisdiction

This Joinder Agreement shall be governed by and construed in accordance with the laws of the State of Israel, without giving effect to principles of conflicts of law. The parties hereby irrevocably submit to the exclusive jurisdiction of the competent courts located in Tel Aviv-Jaffa, Israel in respect of any dispute or matter arising out of or connected with this Joinder Agreement. Each party hereby irrevocably waives any objection it may have to the venue of any action or proceeding brought in such court or to the convenience of such forum.

7. Miscellaneous

This Joinder may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Delivery of an executed counterpart of this Joinder by electronic transmission (including PDF or any electronic signature complying with applicable law) shall be equally effective as delivery of a manually executed counterpart of this Joinder. Any party delivering an executed counterpart of this Joinder by electronic transmission shall also deliver a manually executed counterpart of this Joinder, but failure to do so shall not affect the validity, enforceability or binding effect of this Joinder.

IN WITNESS WHEREOF, the Option Holder has executed this Joinder Agreement as of the date first written above. OPTION HOLDER: By: _____ Name: [OPTION HOLDER NAME] Title: _____ Date: _____		ACCEPTED AND AGREED: BRAINSWAY LTD. By: _____ Name: _____ Title: _____ Date: _____
--	--	--

EXHIBIT B
SHAREHOLDER REGISTER

EXHIBIT C
SHARE TRANSFER DEED

The undersigned _____ (the "**Transferor**") does hereby transfer for due consideration to _____, a company incorporated under the laws of the State of Israel, (the "**Transferee**"), [Number] [Type] Shares of Neurolief Ltd. (the "**Company**"), par value NIS 0.01 each (the "**Shares**") subject to the same terms and conditions on which the Transferor held the Shares at the time of the execution of this share transfer deed, and the Transferee hereby agrees to accept the Shares subject to the aforesaid terms and conditions.

The Transferor hereby assigns and transfers, and the Transferee hereby accepts and assumes, any and all of the rights, liabilities and obligations of the Transferor with respect to the Shares.

The Transferor and the Transferee hereby authorize and grant full power and authority to any of the officers of the Company to register the sale and transfer of the Shares, and the acceptance thereof, in the shareholders' register of the Company.

This Share Transfer Deed may be executed in counterparts, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument.

In witness whereof, the Transferor and the Transferee have executed and delivered this share transfer deed as of _____, 202__.

The Transferor:

The Transferee:

By: _____

Signature

Name:

Title: _____

EXHIBIT D
WRITTEN RESIGNATION

Neurolif Ltd.

(the “**Company**”)

Dear Sirs,

Re: **Resignation Letter**

I, the undersigned, _____, Israeli ID number _____, hereby resign from my position as a member of the board of directors of the Company (the “**Board**”) and from any and all committees of the Board, if any, effective as of date hereof.

Sincerely,

[Name]

EXHIBIT E **CAP TABLE ADJUSTMENT EXAMPLE**

Table below exemplifies the adjustments that would be made to conversions prices and share numbers if pre-money fully diluted outstanding shares at Closing was retroactively adjusted due to options or warrants include therein being out of the money at the Call Option Closing. Below assumes cancellation of all options, as an example.

	With ESOP				No ESOP		
Tranche	T1	T2	T3		T1	T2	T3
Issued Shares	8,531,951	12,292,749	14,564,207.82		8,531,951	11,623,853	13,491,309.91
2025 CLA Warrants	1,492,963	1,492,963	1,492,963		1,227,424	1,227,424	1,227,424
Warrants	1,154,650	1,154,650	1,154,650		1,154,650	1,154,650	1,154,650
Options	2,095,580	2,095,580	2,095,580		0	0	0
Total	13,275,144	17,035,942	19,307,401		10,914,025	14,005,927	15,873,384
Pre-money Valuation	\$ 30,000,000.00	\$ 45,000,000.00	\$ 55,000,000.00		\$ 30,000,000.00	\$ 45,000,000.00	\$ 55,000,000.00
Pre-money Capitalization	13,275,144	17,035,942	19,307,401		10,914,025	14,005,927	15,873,384
PPS	\$ 2.26	\$ 2.64	\$ 2.85		\$ 2.75	\$ 3.21	\$ 3.46
Investment	\$ 5,000,000.00	\$ 6,000,000.00	\$ 5,000,000.00		\$ 5,000,000.00	\$ 6,000,000.00	\$ 5,000,000.00
BW Shares	2,212,523.99	2,271,458.94	1,755,218.27		1,819,004.19	1,867,456.98	1,443,034.94
Second CLA Shares*	1,548,766.79	1,548,766.79	1,548,766.79		1,273,302.93	1,273,302.93	1,273,302.93
Total Fully Diluted	17,036,434.72	19,307,401.01	21,062,619.28		14,006,332.25	15,873,789.22	17,316,824.16
Cumulative New CLA % F	9.09%	8.02%	7.35%		9.09%	8.02%	7.35%
Cumulative BW % FD	12.99%	23.22%	29.62%		12.99%	23.22%	29.62%

*Second CLA Assumed
Max. Inclusive of salary
deferral.

\$3,500,000.00

THE COMPANIES LAW, 5759-1999
A PRIVATE COMPANY LIMITED BY SHARES
Amended and Restated Articles of Association of

NEUROLIEF LTD.

General

1.
 - 1.1. The name of the Company is "Neurolief Ltd."
 - 1.2. The object of the Company is to engage in any lawful activity or business.
 - 1.3. The liability of each Shareholder is limited to the unpaid portion of the par value of each share held by such Shareholder.

Interpretation; General

2. In these Articles, unless the context otherwise requires:
 - 2.1. "Affiliate" means (i) with respect to a natural person, any member of such Person's immediate family (including any child, step child, parent, step parent, in-laws, spouse, sibling, stepson or stepdaughter or the lineal descendants of any of the foregoing); or (ii) with respect to a Person or entity, any Person or entity which directly or indirectly Controls, is Controlled by, or is under common Control with such Person or entity.
 - 2.2. "Articles" means these Amended and Restated Articles of Association of the Company, as shall be further amended from time to time.
 - 2.3. "Board" means the Company's board of directors designated or elected in accordance with the Articles.
 - 2.4. "Bonus Shares" means Shares issued by the Company for no consideration to Shareholders entitled to receive them on a pro rata basis.
 - 2.5. "Business Day" means a day on which customer services are provided by a majority of the major commercial banks in Israel and the United States (including for the avoidance of doubt, Fridays).
 - 2.6. "BWAY" means Brainsway Ltd., a company organized under the laws of the State of Israel and/or any Affiliate thereof.
 - 2.7. "BWAY Investment Agreement" means the Investment Agreement made between BWAY and the Company dated August 18, 2025.
 - 2.8. "Call Option" means the Call Option granted to BWAY pursuant to the Call Option Agreement.
 - 2.9. "Call Option Agreement" mean the Call Option Agreement entered by and among the Company, BWAY and the Sellers (as defined therein) dated August 18, 2025 for the acquisition of the Company.
 - 2.10. "Companies Law" means the Companies Law, 5759-1999 and all the regulations promulgated under it.
 - 2.11. "Companies Ordinance" means the Companies Ordinance [New Version], 5743- 1983 and all the regulations promulgated under it.
 - 2.12. "Company" means the company whose name is set forth above.
 - 2.13. "Control" means the holding directly or indirectly of at least 50% of the voting power in a corporation or of the right to appoint at least half of the directors or members of a similar body having a similar function in a corporation.
-

- 2.14. **“Deemed Liquidation”** shall have the meaning set forth in Section 8.1.2.
- 2.15. **“Defaulting Investor”** shall have the meaning set forth in the BWAY Investment Agreement.
- 2.16. **“Distribution”** means the grant of a Dividend or an obligation for such grant, directly or indirectly, and a Repurchase.
- 2.17. **“Dividend”** means any asset transferred by the Company to a Shareholder in respect of such Shareholder’s Shares, whether in cash or in any other way, including a transfer without valuable consideration, but excluding Bonus Shares.
- 2.18. **“Prior CLA”** means that certain Amended and Restated Convertible Bridge Loan Agreement by and between the Company and certain lenders listed therein dated July 10, 2024, as amended on November 7, 2024, and as further amended on or about the date hereof, which shall be converted into Preferred B-2 Shares immediately prior and subject to the initial Closing of the BWAY Investment Agreement.
- 2.19. **“Founders”** means Amit Dar and Shmuel Shany.
- 2.20. **“General Meeting”** means an annual or special general meeting of the Shareholders.
- 2.21. **“IPO”** means a firmly underwritten initial public offering of the Company’s Ordinary Shares pursuant to an effective registration statement under the United States Securities Act of 1933, as amended, or equivalent law of another jurisdiction.
- 2.22. **“Key Employee”** has such meaning set forth in the Preferred B Investment Agreement.
- 2.23. **“KT”** means KT Squared, LLC, a Delaware limited liability company.
- 2.24. **“Law”** means the Companies Law, the Companies Ordinance and any other law that shall be in effect from time to time with respect to companies and that shall apply to the Company.
- 2.25. **“M&A Transaction”** means any of the following transactions: (i) the sale, lease or other disposal of all or substantially all of the assets or Shares of the Company or repurchase by the Company of the Company’s Shares; (ii) the consolidation, merger or reorganization of the Company with or into any other Person or any other transaction made by the Company, as a result of which the Shareholders prior to such event do not own, by virtue of their shareholdings in the Company prior to such event, a majority of the Shares of the surviving entity (which surviving entity may be the Company); (iii) any transfer or a grant of an exclusive license of material intellectual property of the Company, other than in the Company’s ordinary course of business; or (iv) any other transaction or series of related transactions in which Control of the Company is acquired by any Person (other than an IPO). Notwithstanding anything in the foregoing to the contrary, to the extent the Call Option is exercised such transaction shall be deemed an M&A Transaction which shall trigger the liquidation preference distribution pursuant to Article 8.1.1, excluding, however, any distribution to the Preferred S Shares under sub-article 8.1.1.1.
- 2.26. **“Office”** means the registered office of the Company.
- 2.27. **“Office Holders”** as defined in the Companies Law.
- 2.28. **“Ordinary Shares”** means Ordinary Shares of the Company par value NIS 0.01 each.
- 2.29. **“Original Issue Date”** means with respect to each Preferred Share the date on which such Preferred Share was issued by the Company, which, in the case of Preferred Shares received upon conversion of any “SAFE”, convertible loans (including without limitation, the New CLA, and the Principal Amount extended under the BWAY Investment Agreement) or other convertible instruments shall mean the conversion date thereof; Notwithstanding the foregoing, the **“Original Issue Date”** with respect to each of the outstanding Preferred A/A-1/B/B-1 Shares, shall mean the original date upon which such shares were originally first issued prior to the effectuation of the 2025 Conversion (i.e. therefore no change shall apply to the Original Issue Date of such shares by virtue of the 2025 Conversion and subsequent reclassification).
-

- 2.30. **“Original Issue Price”** means, each as applicable, the Preferred A Original Issue Price, the Preferred A-1 Original Issue Price, the Preferred B Original Issue Price, the Preferred B-1 Original Issue Price, the Preferred B-2 Original Issue Price, the Preferred B-3 Original Issue Price, the Preferred B-4 Original Issue Price, the Preferred S-1 Original Issue Price, the Preferred S-2 Original Issue Price and the Preferred S-3 Original Issue Price.
- 2.31. **“New CLA”** means that certain convertible loan agreement by and between the Company and certain lenders listed therein dated February, 2025, as amended immediately prior to the initial Closing of the BWAY Investment Agreement (such agreement constituting the *“Second Company CLA”* as defined in the BWAY Investment Agreement).
- 2.32. **“Non-Qualifying Investor(s)”** means the party defined in the New CLA as a Non-Qualifying Lender, who did not previously invest its Pro Rata Share (as defined in the New CLA prior to its amendment) in the New CLA, resulting in the conversion of its previous held preferred shares into Ordinary Shares following the effectuation of the 2025 Recap. The Capitalization Table (as defined in the BWAY Investment Agreement) identifies any Non-Qualifying Investor.
- 2.33. **“Permitted Transferee”** means, *provided* that any of the following (including any of their Affiliates) are not a competitor of the Company: (1) in relation to any Preferred Shareholder: (i) a transferee by operation of law; (ii) in the case of an individual Preferred Shareholder - a spouse, child, brother, sister or trustee of the Preferred Shareholder and any entity which is controlled by or under common control with the Preferred Shareholder; (iii) in the case of any incorporated Preferred Shareholder (whether a company or a partnership or any other legal entity) - a Person who is an Affiliate of such Preferred Shareholder, or any of its shareholders, directors, officers, co-investors, limited partners, general partners or the shareholders, limited or general partners of such shareholders or limited or general partners, or entities that manage or co-manage, or are managed or whose account is managed by, directly or indirectly, such Preferred Shareholder or any of its shareholders, members, limited partners, general partners or the shareholders, members, limited or general partners of such shareholders limited or general partners or management company; (iv) transferees in the framework of a transfer which is part of a transfer of a significant portion of the Preferred Shareholder’s portfolio of investments; (2) in relation to any Shareholder who is not a Preferred Shareholder: (a) a transferee by operation of law; (b) a Person who is an Affiliate of such Shareholder; (c) in the case of an individual Shareholder - a parent, spouse, child, brother or sister, or a wholly owned corporation (by it and its parent, spouse, child, brother or sister) of such Shareholder, and (d) a trust which does not permit any of the settled property or the income therefrom to be applied otherwise than for the benefit of the relevant Shareholder and no power or control over the voting powers conferred by any Shares are subject to the consent of any person other than the trustees of such Shareholder. In addition, Deborah Edelstein Weiss and KT shall be deemed Permitted Transferees of each other.
- 2.34. **“Person”** means an individual, corporation, partnership, joint venture, trust, any other corporate entity and any unincorporated association or organization.
-

- 2.35. **“Preferred B Investment Agreement”** means that certain Series B Preferred Share Purchase Agreement by and between the Company and the Investors (as defined therein), dated October 7, 2022.
- 2.36. **“Preferred A Original Issue Price”** means with respect to each Preferred A Share, US\$4.480 as such price may be adjusted as set forth in these Articles.
- 2.37. **“Preferred A-1 Original Issue Price”** means with respect to each Preferred A-1 Share, US\$3.584 as such price may be adjusted as set forth in these Articles.
- 2.38. **“Preferred B Original Issue Price”** means with respect to each Preferred B Share, US\$4.5381 as such price may be adjusted as set forth in these Articles.
- 2.39. **“Preferred B-1 Original Issue Price”** means with respect to each Preferred B-1 Share, US\$3.4036 as such price may be adjusted as set forth in these Articles.
- 2.40. **“Preferred B-2 Original Issue Price”** means with respect to each Preferred B-2 Share, US\$3.08, reflecting the conversion price per share pursuant to which the Prior CLA is actually converted into Preferred B-2 Shares (if and to the extent so converted), as such price may be adjusted as set forth in these Articles.
- 2.41. **“Preferred B-3 Original Issue Price”** means with respect to each Preferred B-3 Share, a price identical to the Preferred B-4 Original Issue Price.
- 2.42. **“Preferred B-4 Original Issue Price”** means with respect to each Preferred B-4 Share, the conversion price per share pursuant to which the New CLA, is actually converted into Preferred B-4 Shares (if and to the extent so converted), as such price may be adjusted as set forth in these Articles.
- 2.43. **“Preferred S-1 Original Issue Price”** means with respect to each Preferred S-1 Share, the conversion price per share pursuant to which the Initial Principal Amount (as defined in the BWAY Investment Agreement) is actually converted into Preferred S-1 Shares (if and to the extent so converted) as per the BWAY Investment Agreement, as such price may be adjusted as set forth in these Articles.
- 2.44. **“Preferred S-2 Original Issue Price”** means with respect to each Preferred S-2 Share, the conversion price per share pursuant to which the Second Principal Amount (as defined in the BWAY Investment Agreement) is actually converted into Preferred S-2 Shares (if and to the extent so converted) as per the BWAY Investment Agreement, as such price may be adjusted as set forth in these Articles.
- 2.45. **“Preferred S-3 Original Issue Price”** means with respect to each Preferred S-3 Share, the actual Third Investment PPS (as defined in the BWAY Investment Agreement) paid by BWAY for its Preferred S-3 Shares at the Third Closing (as defined in the BWAY Investment Agreement) (if and to the extent the Third Closing takes place), as such price may be adjusted as set forth in these Articles.
- 2.46. **“Preferred A Shares”** means the New Series A Preferred Shares, par value NIS 0.01 each, of the Company, as created by the Company following the 2025 Recap.
- 2.47. **“Preferred A-1 Shares”** means the New Series A-1 Preferred Shares, par value NIS 0.01 each, of the Company, as created by the Company following the 2025 Recap.
- 2.48. **“Preferred B Shares”** means the New Series B Preferred Shares, par value NIS 0.01 each, of the Company, as created by the Company following the 2025 Recap.
- 2.49. **“Preferred B-1 Shares”** means the New Series B-1 Preferred Shares, par value NIS 0.01 each, of the Company, as created by the Company following the 2025 Recap.
- 2.50. **“Preferred B-2 Shares”** means the Series B-2 Preferred Shares, par value NIS 0.01 each, of the Company.
- 2.51. **“Preferred B-3 Shares”** means the Series B-3 Preferred Shares, par value NIS 0.01 each, of the Company.
-

- 2.52. **“Preferred B-4 Shares”** means the Series B-4 Preferred Shares, par value NIS 0.01 each, of the Company.
- 2.53. **“Preferred S Shares”** means the Preferred S-1 Shares, the Preferred S-2 Shares and the Preferred S-3 Shares, constituting the shares issuable to the Investor (or its nominee) pursuant to the BWAY Investment Agreement. It is clarified that the Preferred S Shares shall constitute as a single class for all purposes under these Articles.
- 2.54. **“Preferred S-1 Shares”** means sub-Series 1 of the Preferred S Shares, par value NIS 0.01 each, of the Company, to be issued to the Investor upon conversion of the Initial Principal Amount (as defined in the BWAY Investment Agreement), to the extent converted.
- 2.55. **“Preferred S-2 Shares”** means sub-Series 2 of the Preferred S Shares, par value NIS 0.01 each, of the Company, to be issued to the Investor upon conversion of the Second Principal Amount (as defined in the BWAY Investment Agreement), to the extent converted.
- 2.56. **“Preferred S-3 Shares”** means sub-Series 3 of the Preferred S Shares, par value NIS 0.01 each, of the Company, to be issued to the Investor upon the Third Closing (as defined in the BWAY Investment Agreement), to the extent the Third Closing takes place.
- 2.57. **“Preferred S Majority”** means the holder(s) of the majority of the issued and outstanding Preferred S-1 Shares, Preferred S-2 Shares and Preferred S-3 Shares, voting together as a single class, provided that such majority shall in all cases include BWAY (alone or together with an Affiliate under its Control) as the holder of such majority.
- 2.58. **“Preferred B Majority”** means the holders of the majority of the issued and outstanding Preferred B Shares, Preferred B-1 Shares, Preferred B-2 Shares, Preferred B-3 Shares and Preferred B-4 Shares, voting together as a single class.
- 2.59. **“Ordinary Shareholder”** means a holder of Ordinary Shares.
- 2.60. **“Preferred B Shareholder”** means a holder of Preferred B Shares.
- 2.61. **“Preferred B-1 Shareholder”** means a holder of Preferred B-1 Shares.
- 2.62. **“Preferred B-2 Shareholder”** means a holder of Preferred B-2 Shares.
- 2.63. **“Preferred B-3 Shareholder”** means a holder of Preferred B-3 Shares.
- 2.64. **“Preferred B-4 Shareholder”** means a holder of Preferred B-4 Shares.
- 2.65. **“Preferred Shareholder”** means a holder of Preferred Shares.
- 2.66. **“Preferred Shares”** means, collectively, the Preferred A Shares, the Preferred A-1 Shares, the Preferred B Shares, the Preferred B-1 Shares, the Preferred B-2 Shares, the Preferred B-3 Shares, the Preferred B-4 Shares and the Preferred S Shares.
- 2.67. **“QIPO”** means the closing of an IPO of with net proceeds to the Company of at least \$50,000,000.
- 2.68. **“Qualifying Preferred B-4 Investor Pro-Rata Share”** shall mean the ratio of the principal amount invested by a Qualifying Preferred B-4 Investor to the total principal amount invested by all Qualifying Preferred B-4 Investors under the New CLA; all in accordance with the Company’s records.
- 2.69. **“Qualifying Preferred B-4 Investor”** shall mean a holder of Preferred B-4 Shares that is/was a party to the New CLA and constituted thereunder a “Qualifying Lender” (as defined therein).
-

- 2.70. **“Re-Allocated Preference”** means the Re-Allocated A Preference and the Re-Allocated B Preference.
- 2.71. **“Re-Allocated A Preference”** means an aggregate amount of US\$737,190 (constituting the accrued liquidation and dividend preference under Article 8.1 of these Articles attributable to the Preferred A-1 Shares and Preferred A Shares previously held by the Non-Qualifying Investor(s) converted into Ordinary Shares as of the initial Closing of the BWAY Investment Agreement.
- 2.72. **“Re-Allocated B Preference”** means an aggregate amount of US\$ 445,205 (constituting the accrued liquidation and dividend preference under Article 8.1 of these Articles attributable to the Preferred B-1 Shares and Preferred B Shares held by the Non-Qualifying Investor(s) converted into Ordinary Shares as of the initial Closing of the BWAY Investment Agreement.
- 2.73. **“2025 Recap”** means the recapitalization carried out by the Company as part of the closing of the New CLA, which included, among other actions, the conversion of all previous outstanding preferred shares of the Company into Ordinary Shares, on a 1:1 basis (the **“2025 Conversion”**), and the immediate reclassification of the previous Preferred B-1/B/A/A-1 Shares held by Qualifying Investors into new Preferred B-1/B/A/A-1 Shares, respectively, on a 1:1 basis, conferring to the holders thereof the rights, privileges, and preferences provided under these Articles; all to become effective immediately prior to, and subject to, the consummation of the initial Closing of the BWAY Investment Agreement.
- 2.74. **“Recapitalization Event”** means any event of share combination or subdivision, share split, reverse share split, share dividend, distribution of Bonus Shares or any other reclassification, reorganization or recapitalization of the Company’s share capital or other similar events on the basis of a Shareholder’s pro-rata share of all outstanding Shares of the Company on an as-if-converted to Ordinary Shares basis.
- 2.75. **“Register”** means the Register of Shareholders that is to be kept pursuant to Section 127 of the Companies Law.
- 2.76. **“Repurchase”** means the acquiring or the financing of the acquiring, directly or indirectly, by the Company or by a subsidiary of the Company or other corporate entity under the Company’s control, of Shares of the Company or securities convertible into or exercisable for Shares of the Company, or the redemption of redeemable securities that are part of the Company’s share capital pursuant to Section 312(d) of the Companies Law, including an obligation to do any of the same, and all provided that the seller is not the Company itself or another corporate entity fully owned by the Company.
- 2.77. **“Securities Law”** means the Israeli Securities Law, 1968, as amended.
- 2.78. **“Shares”** means any Ordinary Shares, any Preferred Shares or any other equity security issued by the Company.
- 2.79. **“Shareholder”** means a shareholder of the Company.
- 2.80. **“Special Share”** means the Special Share, par value NIS 0.01 each, of the Company, as created by the Company pursuant to the BWAY Investment Agreement.
3. All terms used herein and not otherwise defined herein shall have the meanings defined in the Law, as in effect on the day on which these Articles become binding on the Company; words and expressions importing the singular shall include the plural and vice versa if the context so requires; words and expressions importing the masculine gender shall include the feminine gender. Headings to Articles herein are for convenience only and shall not affect the meaning or interpretation of any provision hereof. In the event of any discrepancy or inconsistency between these Articles (in their current English form) and their Hebrew translation (if any), the Articles drafted in the English language shall prevail and the Hebrew translation shall be disregarded.
-

4. For purposes of computing minimum shareholdings required for any purposes under these Articles, each Shareholder shall be entitled to aggregate its holdings in the Company with the holdings of any of its Permitted Transferees, and the aggregate holdings shall be considered to be held by such Shareholder and its Permitted Transferees, and such rights – to the extent they are determined to be available at such time – may be exercised with the consent of the other Permitted Transferees (up to the maximum extent so determined to be available in the aggregate to all such shareholders) by any, some or all of such shareholders who are Permitted Transferees of each other.

Limitations

5. The following limitations shall apply to the Company:
- 5.1. the right to transfer Shares is restricted in the manner hereinafter provided;
- 5.2. the number of Shareholders at any time (excluding employees and former employees of the Company who have been Shareholders during their employment and remain Shareholders after termination of their employment with the Company) shall not exceed 50; provided, however, that if two or more individuals hold a share or Shares of the Company jointly, they shall be deemed to be one Shareholder for purposes of these Articles; and
- 5.3. an offer to the public to subscribe for Shares or debentures of the Company is prohibited.

Capital

6. The authorized share capital of the Company is 391,648 New Israeli Shekels (NIS) divided into 21,062,619 Ordinary Shares, 1,400,000 Preferred A Shares and 100,000 Preferred A-1 Shares, 2,500,000 Preferred B Shares, 2,200,000 Preferred B-1 Shares, 1,621,000 Preferred B-2 Shares, 1,000,000 Preferred B-3 Shares, 3,042,000 Preferred B-4 Shares, 2,212,524 Preferred S-1 Shares, 2,271,458 Preferred S-2 Shares, 1,755,219 Preferred S-3 Shares, and one (1) Special Share.
7. The Ordinary Shares. Subject to the rights and privileges of the Preferred Shares and the Special Share, the Ordinary Shares shall rank *pari passu* between them and shall entitle their holders:
- 7.1. to receive notices of, and to attend, General Meetings where each Ordinary Share shall have one vote for all purposes;
- 7.2. to share, on a per share pro rata basis, in Bonus Shares, bonuses, profits or Distributions as may be declared by the Board and approved by the Shareholders, if required, out of funds legally available therefor;
- 7.3. upon liquidation or dissolution – to participate in the distribution of the assets of the Company legally available for distribution to Shareholders after payment of all debts and other liabilities of the Company (in each case, proportionally to the number of Ordinary Shares outstanding and the amounts paid by Shareholders on account of their Shares, if not paid in full, before calls for payment were made); and
- 7.4. to appoint, dismiss, and replace directors of the Company pursuant to the provisions of these Articles.
- 7A. The Special Share.
- 7A.1. Except as set forth in this Article 7A, the Special Share shall not confer upon its holder any economic or participation rights whatsoever, including without limitation rights to dividends or other distributions, except that upon a liquidation of the Company, the holder thereof shall be entitled to receive an amount equal to the nominal value of the Special Share, in priority to any distribution to holders of Ordinary Shares, but following payment of any liquidation preferences to the holders of Preferred Shares pursuant to Article 8.1.
-

- 7A.2 As of the initial Closing under the BWAY Investment Agreement, the Company has issued to BWAY one (1) Special Share, which shall confer upon BWAY the rights and privileges granted to BWAY under these Articles in respect of the appointment of director(s) and all other approvals, rights and consents set forth in Articles 12, 17, 39 through 42B (inclusive), 59, 75, 91, 140 through 143 (inclusive), and any other provision referring to the Special Share or the holder thereof; in each case subject to Article 144 (“*Defaulting Investor*”).
- 7A.3. The rights and privileges attached to the Special Share shall be exercisable by BWAY from and after its issuance until the earlier of the following events (i) the Special Share becoming a Deferred Share according to Section 7.A.4 below; or (ii) the full repayment of the outstanding Loan Amount (as defined in the BWAY Investment Agreement) by the Company in accordance with and subject to provisions of the BWAY Investment Agreement, whichever occurs first. For the avoidance of doubt, such rights shall apply regardless of whether BWAY holds any other Shares of the Company.
- 7A.4. The Special Share shall automatically become a Deferred Share, with no rights or privileges (other than the right to receive its nominal value upon liquidation following payment of any liquidation preferences to the holders of Preferred Shares pursuant to Article 8.1) upon the earlier of: (i) issuance to BWAY of any Preferred S Shares pursuant to the conversion of any portion of the Principal Amount (in which case, the rights and privileges conferred upon BWAY under this Article 7A. and otherwise under these Articles by virtue of its holding the Special Share shall automatically attach to and be exercised by virtue of BWAY’s holdings of Preferred S Shares); or (ii) BWAY is a Defaulting Investor.
8. The Preferred Shares. The Preferred Shares confer on the holders thereof all rights accruing to holders of Ordinary Shares in the Company, and in addition are entitled to the following rights:
- 8.1. Liquidation and Distribution Preference.
- 8.1.1. In the event of (i) any liquidation, dissolution, or winding-up of the Company, either voluntary or non-voluntary; (ii) any bankruptcy, insolvency or reorganization proceeding under any bankruptcy or insolvency or similar law, whether voluntary or involuntary, is properly commenced by or against the Company; or (iii) a receiver or liquidator is appointed to all or substantially all of the Company’s assets; collectively, a “**Liquidation**”; then in each such event, the assets or proceeds available for distribution or payment to the Shareholders (the “**Distributable Proceeds**”) shall be distributed among the Shareholders according to the following order of preference:
- 8.1.1.1 First, the holders of Preferred S Shares shall be entitled, prior and in preference to the holders of any other class of Shares, to receive, out of the Distributable Proceeds, an amount per Preferred S Share equal to the greater of: (i) the Original Issue Price of such Preferred S Share; and (ii) the amount that would be distributed in respect of such Preferred S Share had all Shares of the Company been converted into Ordinary Shares immediately prior to such Deemed Liquidation and the entire Distributable Proceeds distributed among the Shareholders on a pro-rata, as-converted basis (without taking into account any liquidation preferences under this Article 8.1), in US\$ (in cash, cash equivalents or, if applicable, securities), and less the aggregate of all amounts of Preferred S Dividend Preference and/or Distributable Proceeds previously paid in preference with respect to each such Preferred S Share (the “**Preferred S Preference**”). In the event that the Distributable Proceeds shall be insufficient for the distribution of the Preferred S Preference in full to all of the holders of Preferred S Shares, the Distributable Proceeds shall be distributed among the holders of Preferred S Shares on a pro rata and pari passu basis.
-

8.1.1.2 Second, after payment in full of the Preferred S Preference but prior and in preference to the holders of Preferred B-2 Shares, Preferred B-1 Shares, Preferred B Shares, Preferred A Shares, Preferred A-1 Shares and Ordinary Shares of the Company: the holders of Preferred B-4 Shares and Preferred B-3 Shares shall be entitled to receive for each Preferred B-4 Share and Preferred B-3 Share held by them, prior and in preference to the holders of any other Shares of the Company, an amount equal to two (2) times the applicable Original Issue Price of each such Preferred B-4 Share and Preferred B-3 Share, respectively, in US\$ (in cash, cash equivalents or, if applicable, securities), plus any accrued and unpaid undeclared dividends on behalf of the Preferred B-3/B-4 Dividend Preference, plus an amount equal to all other declared but unpaid Dividends on each Preferred B-4 Share and Preferred B-3 Share and less the aggregate of all amounts of Preferred B-3/B-4 Dividend Preference and/or Distributable Proceeds previously paid in preference with respect to each such Preferred B-4 Share and Preferred B-3 Share (the “**Preferred B-3/B-4 Preference**”). In the event that the Distributable Proceeds shall be insufficient for the distribution of the Preferred B-3/B-4 Preference in full to all of the holders of Preferred B-4 Shares and Preferred B-3 Shares, the Distributable Proceeds shall be distributed among the holders of Preferred B-4 Shares and Preferred B-3 Shares on a pro rata and pari passu basis (based on the total Preferred B-3/B-4 Preference owed thereto and not based on the number of Preferred B-4 Shares and Preferred B-3 Shares held).

8.1.1.3 Third, after payment in full of the Preferred S Preference and the Preferred B-3/B-4 Preference but prior and in preference to the holders of Preferred A Shares, Preferred A-1 Shares and Ordinary Shares of the Company:

(A) the holders of Preferred B-2 Shares, Preferred B-1 Shares and Preferred B Shares shall be entitled to receive for each Preferred B-2 Share, Preferred B-1 Share and Preferred B Share held by them, an amount equal to two (2) times the applicable Original Issue Price of each such Preferred B-2 Share, Preferred B-1 Share and Preferred B Share, respectively, in US\$ (in cash, cash equivalents or, if applicable, securities), plus any accrued and unpaid undeclared dividends on behalf of the Preferred B/B-1/B-2 Dividend Preference, plus an amount equal to all other declared but unpaid Dividends on each Preferred B-2 Share, Preferred B-1 Share and Preferred B Share and less the aggregate of all amounts of Preferred B/B-1/B-2 Dividend Preference and/or Distributable Proceeds previously paid in preference with respect to each such Preferred B-2 Share, Preferred B-1 Share and Preferred B Share (the “**Preferred B/B-1/B-2 Preference**”); and

(B) each Qualifying Preferred B-4 Investor shall be entitled to receive, an amount equal to its Qualifying Preferred B-4 Investor Pro-Rata Share of the Re-Allocated B Preference (“**Qualifying Preferred B-4 Investor Re-Allocated B Preference**”). The entitlement for the Re-Allocated B Preference shall be tied to the Preferred B-4 Shares issued to each Qualifying Preferred B-4 Investor, such that for each Preferred B-4 Share held any Qualifying Preferred B-4 Investor by virtue of the conversion of its investment pursuant to the New CLA, such Qualifying Preferred B-4 Investor shall be entitled to receive, in addition to the Preferred B-4 Preference as per article 8.1.1, an amount equal to such Qualifying Preferred B-4 Investor Re-Allocated B Preference divided by the number of Preferred B-4 Shares issued to such Qualifying Preferred B-4 Investor upon conversion of the New CLA.

8.1.1.4 In the event that the Distributable Proceeds shall be insufficient for the distribution of the Preferred B/B-1/B-2 Preference and the Re-Allocated B Preference in full, the Distributable Proceeds shall be distributed among the applicable holders on a pro rata and pari passu basis (based on the total Preferred B/B-1/B-2 Preference and Re-Allocated B Preference owed thereto and not based on the number of Preferred B-2 Shares, Preferred B-1 Shares and Preferred B Shares held).

8.1.1.5 Fourth, after payment in full of the Preferred S Preference, the Preferred B-3/B-4 Preference, the Preferred B/B-1/B-2 Preference and the Re-Allocated B Preference, but prior and in preference to the holders of Ordinary Shares of the Company:

(A) the holders of Preferred A-1 Shares and Preferred A Shares shall be entitled to receive for each Preferred A-1 Share and Preferred A Share held by them, an amount equal to the higher of: (i) one (1) times the applicable Original Issue Price of each such Preferred A-1 Share and Preferred A Share, respectively, in US\$ (in cash, cash equivalents or, if applicable, securities), plus any accrued and unpaid undeclared dividends on behalf of the Preferred A/A-1 Dividend Preference, plus an amount equal to all other declared but unpaid Dividends on each Preferred A-1 Share and Preferred A Share and less the aggregate of all amounts of Preferred A/A-1 Dividend Preference and/or Distributable Proceeds previously paid in preference with respect to each such Preferred A-1 Share and Preferred A Share (the “**Preferred A/A-1 Preference**”), and (ii) the amount per share such holder would have received for such Preferred A Share or Preferred A-1 Share had all Preferred A Shares and Preferred A-1 Shares been converted into Ordinary Shares immediately prior to such Liquidation (taking into account the aggregate amount of Distributable Proceeds previously paid in preference pursuant to this Article 8.1 and any Dividend Preference paid pursuant to these Articles below with respect to such Preferred A Share and Preferred A-1 Shares) (the “**Preferred A Pro-Rata Distribution**”).

(B) each Qualifying Preferred B-4 Investor shall be entitled to receive, an amount equal to its Qualifying Preferred B-4 Investor Pro-Rata Share of the Re-Allocated A Preference (“**Qualifying Preferred B-4 Investor Re-Allocated A Preference**”). The entitlement for the Re-Allocated A Preference shall be tied to the Preferred B-4 Shares issued to each Qualifying Preferred B-4 Investor, such that for each Preferred B-4 Share held by any Qualifying Preferred B-4 Investor by virtue of the conversion of its investment pursuant to the New CLA, such Qualifying Preferred B-4 Investor shall be entitled to receive, in addition to the Preferred B-4 Preference as per articles 8.1.1 and 8.1.2, an amount equal to such Qualifying Preferred B-4 Investor Re-Allocated A Preference divided by the number of Preferred B-4 Shares issued to such Qualified Preferred B-4 Investor upon conversion of the New CLA.

(In the event that the Distributable Proceeds shall be insufficient for the distribution of the Preferred A/A-1 Preference and the Re-Allocated A Preference, in full, the Distributable Proceeds shall be distributed among the applicable holders on a pro rata and pari passu basis (based on the total Preferred A/A-1 Preference and Re-Allocated A Preference owed thereto).

8.1.1.6 Lastly, after payment in full of the Preferred S Preference, the Preferred B-3/B-4 Preference, the Preferred B/B-1/B-2 Preference, the Re-Allocated B Preference, the Preferred A/A-1 Preference or the Preferred A Pro-Rata Distribution (as applicable) and the Re-Allocated A Preference (collectively: the “**Liquidation Preference**”), the Preferred B-4 Shareholders, Preferred B-3 Shareholders, Preferred B-2 Shareholders, Preferred B-1 Shareholders and the Ordinary Shareholders, in respect of their Preferred B-4 Shares, Preferred B-3 Shares, Preferred B-2 Shares, Preferred B-1 Shares, Preferred B Shares and Ordinary Shares, respectively, then outstanding, the remaining Distributable Proceeds available for distribution, if any, shall be distributed on a pro-rata, pari passu and as-converted basis (without, for the avoidance of doubt, such Preferred B-4 Shares, Preferred B-3 Shares, Preferred B-2 Shares, Preferred B-1 Shares and Preferred B Shares actually being converted into Ordinary Shares). For clarity, receipt of their respective portion of the Liquidation Preference by the applicable Preferred Shareholders shall not derogate from the right of such Preferred Shareholders to receive the distribution in the prior sentence.

8.1.2. Unless otherwise approved by the Preferred B Majority and (except in the event of an exercise of the Call Option) the Preferred S Majority, any M&A Transaction shall be treated as a Liquidation pursuant to the above provisions of this Article 8.1 (a “**Deemed Liquidation**”), and the provisions of Articles 8.1.1.1 through 8.1.1.6 shall apply to a distribution of the Distributable Proceeds received by the Company and/or the Shareholders in connection with such Deemed Liquidation. In the event of a Deemed Liquidation resulting from the transfer of outstanding Shares of the Company, no such transfer shall be valid and the Company shall not register it in the Register, unless measures determined by the Board that are satisfactory to the Preferred B Majority and (except in the event of an exercise of the Call Option) the Preferred S Majority are taken for the distribution of the consideration received for such transfer in accordance with Articles 8.1.1.1 through 8.1.1.6 above; where in the case of the Call Option, the measures set forth in the Call Option Agreement shall apply and are deemed to fully satisfy the requirements set forth in this Article 8.1.2.

Notwithstanding anything to the contrary in these Articles (and in particular Article 8.1.2 above), in connection with a transaction in which BWAY (or any Affiliate, transferee or assignee thereof) (a **“BWAY Party”**) is exercising the Call Option in such transaction, (i) No BWAY Party shall be entitled to receive any Distributable Assets from such transaction, (ii) Articles 8.1.1.1 (i.e., the Preferred S Preference) and 8.1.1.6 (to the extent relating to pro-rata participation by a BWAY Party) above shall not apply, and (ii) the Distributable Assets shall be solely and exclusively allocated between the Company’s security holders (excluding any BWAY Party) selling their securities in such transaction according the distribution waterfall set forth in Article 8.1.1 (after disregarding the items set forth above).

- 8.1.3. In the event of a Deemed Liquidation if any portion of the consideration payable or distributable to the Shareholders is placed into escrow or is payable or distributable to the Shareholders subject to contingencies (the **“Deferred Payments”**), the purchase agreement or plan of merger or consolidation for such transaction shall provide that (and in the absence of such provision, including with respect to the Call Option Agreement, the following shall in any event apply): that (a) the portion of such consideration that is not placed in escrow and not subject to any contingencies (the **“Initial Consideration”**) shall be allocated among the Shareholders in accordance with Articles 8.1.1.1, 8.1.1.2 8.1.1.3, 8.1.1.4, 8.1.1.5 and 8.1.1.6 as if the Initial Consideration were the only consideration payable in connection with such Deemed Liquidation and (b) any additional consideration which becomes payable or distributable to the shareholders of the Company upon release from escrow or satisfaction of contingencies shall be allocated among the shareholders in accordance with Articles 8.1.1.1, 8.1.1.2 8.1.1.3, 8.1.1.4, 8.1.1.5 and 8.1.1.6 after taking into account the previous payment of the Initial Consideration and Deferred Payments (if any) as part of the same transaction.
- 8.1.4. The Company shall give each holder of record of Preferred Shares written notice of such Liquidation, Distribution of Dividends or Deemed Liquidation (other than pursuant to the exercise of the Call Option, where if the Call Option is exercised the Company shall provide each such holder with notice as soon as possible following its receipt of the Exercise Notice (as defined in the Call Option Agreement) impending transaction not later than ten (10) Business Days prior to the Shareholders’ meeting called to approve such transaction, or ten (10) Business Days prior to the closing of such transaction, whichever is earlier, and shall also notify such holders in writing of the final approval of such transaction. The first of such notices shall describe the material terms and conditions of the impending transaction and the provisions of this Article 8.1, and the Company shall thereafter give such holders prompt notice of any material changes. The transaction shall in no event take place sooner than ten (10) Business Days after the Company has given the first notice provided for herein or sooner than ten (10) Business Days after the Company has given notice of any material changes to the information provided in a notice provided for herein; provided, however, that such periods may be shortened upon the written consent of the holders of the Preferred B Majority and (except in the event of an exercise of the Call Option) the Preferred S Majority.
-

8.1.5. If the amount deemed paid or distributed under this Article 8.1 is made in property other than in cash, the value of such distribution shall be the fair market value of such property, determined as follows:

8.1.5.1 For securities not subject to investment letters or other similar restrictions on free marketability,

- (1) if traded on a securities exchange or the NASDAQ Stock Market, the value shall be deemed to be the average of the closing prices of the securities on such exchange or market over the thirty (30) day period ending three (3) days prior to the closing of such transaction;
- (2) if actively traded over-the-counter, the value shall be deemed to be the average of the closing bid prices over the thirty (30) day period ending three (3) days prior to the closing of such transaction; or
- (3) if there is no active public market, the value shall be the fair market value thereof, as determined in good faith by the Board and approved by the Preferred B Majority and (except in the event of an exercise of the Call Option) the Preferred S Majority; or
- (4) if securities to be issued pursuant to the exercise of the Call Option, the price attributed to such securities pursuant to the terms of the Call Option Agreement.

8.1.5.2 The method of valuation of securities subject to investment letters or other similar restrictions on free marketability (other than restrictions arising solely by virtue of a shareholder's status as an affiliate or former affiliate) shall take into account an appropriate discount (as determined in good faith by the Board) from the market value as determined pursuant to Article 8.1.5.1 above so as to reflect the approximate fair market value thereof.

8.1A Dividend Rights.

8.1A1 Preferred Shares.

first, the holders of the then outstanding Preferred S Shares shall be entitled to receive, prior and in preference to the payment of any dividends on any other class or series of Shares (including, without limitation, all other Preferred Shares and the Ordinary Shares), when, as and if declared by the Board, out of any funds and assets of the Company legally available therefor, cumulative and compounding dividends in an amount per share equal to eight percent (8%) of the applicable Original Issue Price of each such Preferred S Share, per annum, from the applicable Original Issue Date (the “**Preferred S Dividend Preference**”) (provided, however, that the holders of Preferred S Shares shall not be entitled to the Preferred S Dividend Preference in a Deemed Liquidation in which a BWAY Party is exercising the Call Option in such transaction);

second, after payment in full of the Preferred S Dividend Preference, the holders of the then outstanding Preferred B-4 Shares and Preferred B-3 Shares shall be entitled to receive, prior and in preference to the payment of any dividends on the Preferred B-2 Shares, Preferred B-1 Shares, Preferred B Shares, Preferred A-1 Shares, Preferred A Shares and Ordinary Shares, when, as and if declared by the Board, out of any funds and assets of the Company legally available therefor, cumulative and compounding dividends at the rate of eight percent (8%) of the applicable Original Issue Price per each Preferred B-4 Share and Preferred B-3 Share, per annum from the Original Issue Date (the “**Preferred B-3/B-4 Dividend Preference**”);

third, after payment in full of the Preferred B-3/B-4 Dividend Preference in respect of all Preferred B-4 Shares and Preferred B-3 Shares then outstanding, the holders of the then outstanding Preferred B-2 Shares, Preferred B-1 Shares and Preferred B Shares, shall be entitled to receive, prior and in preference to the payment of any dividends on the Preferred A-1 Shares, Preferred A Shares and Ordinary Shares, when, as and if declared by the Board, out of any funds and assets of the Company legally available therefor, cumulative and compounding dividends at the rate of eight percent (8%) of the applicable Original Issue Price per each Preferred B-2 Share, Preferred B-1 Share and Preferred B Share, per annum from the Original Issue Date (the “**Preferred B/B-1/B-2 Dividend Preference**”); and

fourth, after payment in full of the Preferred B/B-1/B-2 Dividend Preference in respect of all Preferred B-2 Shares, Preferred B-1 Shares and Preferred B Shares then outstanding, the holders of the then outstanding Preferred A-1 Shares and Preferred A Shares, shall be entitled to receive, prior and in preference to the payment of any other dividends, when, as and if declared by the Board, out of any funds and assets of the Company legally available therefor, cumulative and compounding dividends at the rate of six percent (6%) of the applicable Original Issue Price per each Preferred A-1 Share and Preferred A Share, per annum from the Original Issue Date (the “**Preferred A/A-1 Dividend Preference**”, and collectively with the Preferred S Dividend Preference, the Preferred B-3/B-4 Dividend Preference and Preferred B/B-1/B-2 Dividend Preference, the “**Dividend Preference**”).

8.1A2

Ordinary Shares. If, after payment in full of the Dividend Preference as specified in Section 8.1A1 for the Preferred Shares, the Board shall declare additional dividends out of funds legally available therefor, then such additional dividends shall be paid pro rata on the Preferred Shares and Ordinary Shares on a pro-rata, pari passu and as-converted basis according to the number of Ordinary Shares held by each holder, where each holder of Preferred Shares is to be treated for this purpose as holding the greatest whole number of Ordinary Shares then issuable upon conversion of all Preferred Shares held by such holder (without, for the avoidance of doubt, such Preferred Shares actually being converted into Ordinary Shares).

8.1A3 Non-Cash Dividends. Whenever a dividend provided for in this Section 8.1A shall be payable in property other than cash, the value of such dividend shall be determined in accordance with Article 8.1.5 above which shall apply *mutatis mutandis* hereto.

8.2. Conversion. The Preferred Shareholders shall have conversion rights as follows (the “**Conversion Rights**”):

8.2.1. Right to Convert.

8.2.1.1. Each Preferred Share shall be convertible at the option of the holder of such share, at any time after the Original Issue Date of such share, into such number of fully paid and nonassessable Ordinary Shares of the Company as is determined by dividing the applicable Original Issue Price for such share by the Conversion Price (as defined below) at the time in effect for such share. The initial conversion price per each Preferred Share shall be the Original Issue Price for such share (the “**Conversion Price**”); provided, however, that the Conversion Price for each Preferred Share shall be adjusted in accordance with any Recapitalization Event and pursuant to the anti-dilution and other adjustment provisions set forth herein.

8.2.1.2. Notwithstanding anything to the contrary herein, each Preferred Share (including the applicable accrued Dividend Preference, subject to applicable law and required tax withholding, if any) shall automatically be converted into fully paid and nonassessable Ordinary Shares by dividing the applicable Original Issue Price by the Conversion Price at the time in effect for such Preferred Share, immediately upon: (i) a QIPO; or (ii) upon the written consent of (A) the Preferred B Majority and (B) the holder of the Special Share or the Preferred S Majority. For the avoidance of doubt, in the event of a conversion under subsection (ii) above for an IPO (excluding a QIPO), the liquidation preference provisions described in Article 8.1 shall apply and any deviation therefrom shall be subject to the written consent of (A) the Preferred B Majority and (B) the holder of the Special Share or the Preferred S Majority.

8.2.1.3. Mechanics of Conversion. Before any Preferred Shareholder shall be entitled to convert any Preferred Share into Ordinary Shares, the Preferred Shareholder shall surrender the certificate or certificates thereof, or an affidavit of loss of the certificate or certificates therefor in a form reasonably acceptable to the Company, duly executed, at the Office and shall give written notice by registered mail, postage prepaid, to the Company of the election to convert the same. The Company shall, as soon as practicable thereafter, issue and deliver to such Preferred Shareholder a certificate or certificates for the number of Ordinary Shares to which such Preferred Shareholder shall be entitled as aforesaid. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of the surrender of the certificate or submission of the affidavit of loss of the certificate representing the Preferred Shares to be converted, and the Person or Persons entitled to receive the Ordinary Shares issuable upon such conversion shall be treated for all purposes as the record holder of such Ordinary Shares as of such date. In the case of conversion pursuant to Article 8.2.1.2, such conversion shall be deemed to have been made immediately prior to the close of business on the date of the occurrence of any of the events listed in Article 8.2.1.2 and subject to the actual occurrence of such event, and the Person or Persons entitled to receive the Ordinary Shares issuable upon such conversion shall be treated for all purposes as the record holder of such Ordinary Shares as of such date; once again provided that the event does actually occur.

8.2.2. Conversion Price Adjustments of Preferred Shares.

- 8.2.2.1. In the event that the Company issues any Additional Securities (as defined below) at a price per share lower than the Conversion Price of Preferred Shares in effect immediately prior to such issuance (the “**Reduced Price**”), then the Conversion Price of such series of Preferred Shares shall be reduced, for no additional consideration, in accordance with the following broad based weighted average formula:

$$\text{CP} = \frac{(\text{A} \times \text{P}') + (\text{C} \times \text{P}'')}{\text{A} + \text{C}}$$

where **CP** is the reduced Conversion Price; **A** is the number of Ordinary Shares, on an as-converted fully diluted basis (treating for this purpose as outstanding all Ordinary Shares issuable upon exercise of Options outstanding immediately prior to such issue or upon conversion or exchange of convertible securities (including the Preferred Shares), outstanding immediately prior to the relevant issuance of Additional Securities; but excluding Ordinary Shares reserved for Options that were not allocated prior to the relevant issuance of Additional Securities); **P'** is the Conversion Price applicable to the Preferred Shares of the applicable series in effect immediately prior to such issuance; **C** is the number of Additional Securities; and **P''** is the Reduced Price.

- 8.2.2.2. No adjustment to the Conversion Price pursuant to Article 8.2.3.1 shall be made if it has the effect of increasing the Conversion Price of such Preferred Share above the Conversion Price of such Preferred Share in effect immediately prior to such adjustment.
- 8.2.2.3. In the case of the issuance of Additional Securities for cash, the consideration shall be deemed to be the amount of cash received therefor after deducting from such cash amount any discounts, finder's fees or underwriting commissions paid or incurred by the Company in connection with the issuance and sale thereof.
- 8.2.2.4. In the case of the issuance of Additional Securities for a consideration in whole or in part other than cash, the consideration other than cash shall be deemed to be the fair value thereof, as shall be determined in accordance with Article 8.1.4 above.
- 8.2.2.5. In the case of the issuance of warrants or options to purchase, or rights to subscribe for, Additional Securities, or securities which by their terms are convertible into or exchangeable for Additional Securities or options to purchase or rights to subscribe for such convertible or exchangeable securities (collectively, "**Options**"), the Additional Securities deliverable upon exercise (assuming the satisfaction of any conditions to exercisability, including without limitation the passage of time, but without taking into account potential anti-dilution adjustments), conversion or exchange, as the case may be, of such Options, shall be deemed to have been issued at the time of issuance of such Options at a consideration equal to the consideration (determined in the manner provided in Articles 8.2.3.3 and 8.2.3.4), if any, received by the Company for such Options upon the issuance of such Options plus any additional consideration payable to the Company pursuant to the terms of such Options (without taking into account potential anti-dilution adjustments) for the Additional Securities covered thereby; provided, however, that if any Options as to which an adjustment to the Conversion Price has been made pursuant to this Article 8.2.3.5 expire without having been exercised, then the Conversion Price shall be readjusted as if such Options had not been issued (without any effect, however, on adjustments to the Conversion Price as a result of other events described in this Article); provided that no such readjustment shall have the effect of increasing the applicable Conversion Price to an amount which exceeds the applicable Conversion Price that would have resulted from other issuances of Additional Securities after the time of issuance of such Options had such Options not been issued.
-

- 8.2.2.6. For purposes of this Article 8.2.2, the consideration for any Additional Securities shall be taken into account at the U.S. dollar equivalent thereof, on the day such Additional Securities are issued or deemed to be issued pursuant to Article 8.2.3.5.
- 8.2.2.7. “**Additional Securities**” means any shares, warrants, convertible deeds or any other security or right exercisable or convertible into shares of the Company, other than the Excluded Securities. The “**Excluded Securities**” means any of the following: (i) options or shares issued to employees, directors or consultants, pursuant to an employee stock option plan or any incentive plan approved by the Board; (ii) securities issued upon conversion of the Preferred Shares; (iii) securities issued to the public in an IPO; (iv) securities issued in the framework of a Recapitalization Event; (v) issuance of securities of the Company pursuant to (A) the BWAY Investment Agreement (including all of the Preferred S Shares), and (B) the New CLA, including without limitation, the warrants issuable thereunder and the shares issued upon exercise thereof (including, Preferred B-3 Shares or Preferred B-4 Shares issuable upon conversion thereof or otherwise thereunder), as well as the warrants issued thereunder and shares issued upon exercise thereof; (vi) securities issued pursuant to Article 141.6.1 below; and (vi) securities issued in any other issuance with respect to which (A) the holders of the Preferred B Majority and (B) the holder of the Special Share or the Preferred S Majority, agreed, in writing, qualify from the definition of “Additional Securities” for the purpose of waiver of anti-dilution and/or pre-emptive rights with respect to such issuance, as the case may be.
- 8.2.3. Recapitalization Event. If at any time or from time to time there shall be a Recapitalization Event (other than any actions under Article 8.2.2), and other than a Liquidation, Distribution of Dividends or Deemed Liquidation under Article 8.1), provision shall be made so that the Preferred Shareholders shall thereafter be entitled to receive upon conversion of the Preferred Shares the number of Ordinary Shares or other securities or property of the Company or otherwise, to which a holder of Ordinary Shares deliverable upon conversion of the Preferred Shares would have become entitled to as a result of the Recapitalization Event. In any such case, appropriate adjustment shall be made in the application of the provisions of these Articles with respect to the rights of the Preferred Shareholders after the recapitalization to the end that the provisions of these Articles (including adjustment, if necessary, of the Original Issue Price and the Conversion Price then in effect and the number of shares issuable upon conversion of the Preferred Shares) shall be applicable after that event as equivalent to the manner in which they were applicable prior to such event as may be practicable.
-

8.2.4. No Fractional Shares and Certificates as to Adjustments.

8.2.4.1. No fractional shares shall be issued upon conversion of the Preferred Shares, and the number of Ordinary Shares to be issued shall be rounded to the nearest whole share.

8.2.4.2. Upon the occurrence of each adjustment of the Conversion Price of a series of Preferred Shares pursuant to this Article 8, the Company, at its expense, shall promptly compute such adjustment in accordance with the terms hereof and prepare and furnish to each Preferred Shareholder a certificate setting forth each adjustment and showing in detail the facts upon which such adjustment is based. The Company shall furnish or cause to be furnished to such holder a like certificate setting forth (i) such adjustment, (ii) the Conversion Price at the time in effect, and (iii) the number of Ordinary Shares and the amount, if any, of other property which at the time would be received upon the conversion of a Preferred Share.

8.2.5. Notices of Record Date. In the event of any taking by the Company of a record of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any Dividend or other Distribution, any right to subscribe for, purchase or otherwise acquire any shares of any class or any other securities or property, or to receive any other right, the Company shall mail to each holder of shares, at least ten (10) Business Days prior to the date specified therein, a notice specifying the date on which any such record is to be taken for the purpose of such Dividend, Distribution or other right, and the amount and character of such Dividend, Distribution or other right.

8.2.6. Reservation of Shares Issuable Upon Conversion. The Company shall at all times reserve and keep available out of its authorized but unissued Ordinary Shares, solely for the purpose of effecting the conversion of the Preferred Shares, such number of its Ordinary Shares as shall from time to time be sufficient to effect the conversion of all outstanding Preferred Shares; and if at any time the number of authorized but unissued Ordinary Shares shall not be sufficient to effect the conversion of all then outstanding Preferred Shares, then the Company will take such corporate action as may be necessary to increase its authorized but unissued Ordinary Shares to such number of shares as shall be sufficient for such purposes.

8.3. No Impairment. The Company will not through any reorganization, recapitalization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Company, but will at all times in good faith assist in the carrying out of all the provisions of this Section 8.

8.4. Voting Rights.

8.4.1. Except with respect to election of directors or as required by law and subject to Articles 140 through 142, the Preferred Shares shall vote together with the other shares of the Company, and not as a separate class, in all Shareholders meetings, except as required herein or by law, with each Preferred Share having votes in such number as if then converted into Ordinary Shares ("on an as-converted basis").

- 8.4.2. Except as set forth herein, the Preferred S-1 Shares, the Preferred S-2 Shares and the Preferred S-3 Shares shall vote together, as a single class, including for purposes of approving a merger pursuant to Chapter 8 of the Law.
- 8.4.3. Except as set forth herein, the Preferred B Shares, Preferred B-1 Shares, Preferred B-2 Shares, Preferred B-3 Shares and Preferred B-4 Shares shall vote together, as a single class, including for purposes of approving a merger pursuant to Chapter 8 of the Law.
- 8.4.4. Except as set forth herein, the Preferred A Shares and Preferred A-1 Shares shall vote together, as a single class, including for purposes of approving a merger pursuant to Chapter 8 of the Law.

Shares; Pre-emptive Rights

- 9. Subject to the provisions of these Articles, including for the avoidance of any doubt, Articles 140 and 141, the unissued shares of the Company shall be at the disposal of the Board who may offer, allot, grant options or otherwise dispose of shares to such Persons, at such times and upon such terms and conditions as the Company may by resolution of the Board determine.
- 10. Subject to the provisions of these Articles, including for the avoidance of any doubt, Articles 140 and 141, the Company may issue shares having the same rights as the existing shares, or having preferred or deferred rights, or rights of redemption, or restricted rights, or any other special right in respect of dividend distributions, voting, appointment or dismissal of directors, return of share capital, distribution of Company's property, or otherwise, all as determined by the Company from time to time, subject to the provisions of these Articles. The Company may convert any part of the issued shares to deferred shares.
- 11. Subject to the provisions of the Companies Law and these Articles, the Company may issue redeemable shares and redeem them, provided, however, that the Preferred Shares shall enjoy similar redemption rights (if granted), unless otherwise agreed by (A) the Preferred B Majority and (B) the Preferred S Majority.
- 12. Until an IPO, each Shareholder who holds at least 3% of the issued and outstanding share capital of the Company on an as-converted basis (each a "**Major Holder**") and BWAY (so long as it holds the Special Share or any Shares issued under the BWAY Investment Agreement or issuable upon conversion of the Principal Amount), who shall be deemed a Major Holder for all purposes of these Articles; (*provided, however*, that BWAY (and any of its Affiliates or transferees) shall not be considered a Major Holder under these Articles for any purpose, if it is a Defaulting Investor with respect to the Second Principal Amount) (an "**Offeree**") shall have a preemptive right with respect to any issuance of Additional Securities by the Company at the offering price, in accordance with the following terms:

12.1. Each Major Holder shall have the pre-emptive right to purchase up to its Pro Rata Portion (calculated as of the date of the Pre-emption Notice) of any issuance of Additional Securities. "Pro Rata Portion" shall mean the ratio of (a) the number of outstanding shares of the Company which such Offeree holds immediately prior to the issuance of such Additional Securities (including, in the case of BWAY, all Shares issuable upon conversion of the portion of the outstanding Principal Amount then invested under the BWAY Investment Agreement (the "**Invested Principal Amount**")), on an as converted basis, to (b) the total number of all outstanding shares of the Company held by all Shareholders (including all Shares issuable upon conversion of the Invested Principal Amount), on an as converted basis, immediately prior to the issuance of the New Securities (the "**Pro Rata Portion**"). Each Major Holder (other than BWAY to the extent it is a Defaulting Investor) shall have a right of over-allotment, such that if any Major Holder does not elect to exercise its pre-emptive rights hereunder to purchase its Pro Rata Portion of the Additional Securities, each Major exercising its preemptive rights hereunder may purchase such non-purchasing Major Holder's portion (the "**Major Holder Over-Allotment**"). If the Major Holder Over-Allotment is oversubscribed by the Major Holder exercising their pre-emptive rights hereunder, then any such Major Holder Over-Allotment to be made among the Major Holders shall be made on a pro rata basis such that an exercising Major Holder's pro rata portion of the Major Holder Over-Allotment shall be the ratio of the total number of shares of the Company then held by such exercising Major Holder, to the sum of the total number of shares held by all of the Major Holders exercising their Major Holder Over-Allotment rights hereunder.

- 12.2. If the Company proposes to issue Additional Securities, it shall give each Major Holder a written notice thereof of its intention to do so, describing the Additional Securities it proposes to issue, the price of each Additional Security, the general terms upon which the Company proposes to issue them, and the number of Additional Securities that each Major Holder has the right to purchase (the "**Pre-emption Notice**"). Each Major Holder shall have seven (7) Business Days from the date of delivery of the Pre-emption Notice to it (the "**Pre-emption Period**"), to agree to purchase all or any part of its Pro Rata Portion of such Additional Securities, including any such Additional Securities in the Major Holder Over-Allotment, by giving written notice to the Company setting forth the quantity of the Additional Securities to be purchased by it.
- 12.3. Following the consummation of the preemptive procedure detailed above, the Additional Securities shall be sold under the terms specified in the Pre-emption Notices, pursuant to the acceptances and the allocations detailed above. To the extent the Major Holders fail to exercise in full the pre-emptive right, together with any Major Holder Over-Allotment, within the Pre-emption Period, then the Company shall have one hundred (100) days after the delivery of the Pre-emption Notice to sell the un-sold Additional Securities at a price and upon general terms no more favorable to the purchasers thereof than specified in the Pre-emption Notices. If the Company has not sold the un-sold Additional Securities within said one hundred (100) day period, the Company shall not thereafter issue or sell such un-sold Additional Securities without first re-offering them to the Major Holders in the manner provided above.
- 12.4. An Offeree may assign its right under this Article 12 to a Permitted Transferee.
- 12.5. If the offer to Shareholders under this Article 12 may constitute an offer to the public under applicable laws which is subject to prospectus requirements then such offer shall be limited to (i) the type of offerees the offering to which is exempted from such prospectus requirement, and (ii) to such limited number of Shareholders with the highest holdings in the Company (aggregating holdings of Permitted Transferees for the purpose of calculating the Shareholders with the highest holdings; *provided that* such Permitted Transferees shall be considered as separate entities to the extent viewed as such by applicable law; and *further provided* that the transfers to such Permitted Transferees were not made for the purpose of increasing the number of entities that are Permitted Transferees of the original transferring Shareholder(s) eligible to participate in the offer to Shareholders under this Article 12), not including and in addition to the offerees under paragraph (i), the offering to which is exempted from such prospectus requirement.
13. Subject to Articles 8.2, 12 and 140, the Company may issue from time to time options, warrants, other rights to subscribe for instruments convertible into, or exchangeable for shares of the Company, the terms and conditions of which shall be determined by the Board in accordance with these Articles.
14. The Company shall not be bound to recognize any equitable, contingent, future or partial interest in any share or any other right whatsoever in any share other than an absolute right to the entirety thereof in the registered holder.
15. If two or more Persons are registered as joint holders of a share:
-

- 15.1. They shall be jointly and severally liable for any calls or any other liability with respect to such share. However, with respect to voting, powers of attorney and furnishing of notices, the one registered first in the Register shall be deemed to be the sole owner of the share unless all the registered joint holders notify the Company in writing to treat another one of them as the sole owner of the share.
- 15.2. Each one of them shall be permitted to give receipts binding all the joint holders for dividends or other moneys or property received from the Company in connection with the share and the Company shall be permitted to pay all the dividend or other moneys or property due with respect to the share to one or more of the joint holders, as it shall choose.
16. Share certificates shall bear the signature of one director, or of any other person or persons authorized thereto by the Board. Each Shareholder shall be entitled to one numbered certificate for all the shares of any series registered in his or its name, and if the Board so approves, to several certificates, each for one or more of such shares. Each certificate shall specify the serial numbers of the shares represented thereby. A share certificate registered in the names of two or more persons shall be delivered to the person first named in the Register. If a share certificate is defaced, lost or destroyed, it may be replaced, upon payment of such fee, and upon the furnishing of such evidence of ownership and such indemnity, as the Board may deem fit.

Drag Along

17. Subject to the provisions of the Companies Law and Articles 140, 141, and 142, until the consummation of a QIPO, if (i) a *bona fide* offer from any Person (including, BWAY (its successors and assigns) pursuant to the exercise of the Call Option) (the “**Third Party**”) is made to effect a Deemed Liquidation (a “**Proposed Transaction**”), and (ii) (A) the Preferred B Majority, and (B) subject to Article 143 below (*Call-option Carveout*) the holder of the Special Share or the Preferred S Majority, provide their affirmative consent to such Proposed Transaction (the “**Proposing Shareholders**”), then such decision shall be binding upon the Company and all remaining Shareholders (the “**Remaining Shareholders**”) will be required, if so demanded in writing by the Proposing Shareholders (the “**Drag Along Notice**”), to sell all of their Shares to such Third Party, or vote to approve the terms and conditions of the Proposed Transaction.
- 17.1. At every meeting of the Shareholders of the Company called with respect to any of the following, and at every adjournment or postponement thereof, and on every action or approval by written consent of the shareholders of the Company with respect to any of the following, the Remaining Shareholders shall vote all Shares of the Company that such Remaining Shareholders then hold or for which such Remaining Shareholders otherwise then have voting power: (A) in favor of approval of the Proposed Transaction and any matter that could reasonably be expected to facilitate the Proposed Transaction; and (B) against any proposal for any recapitalization, merger, sale of assets or other business combination (other than the Proposed Transaction) between the Company and any Person other than the party or parties to the Proposed Transaction or any other action or agreement that would result in a breach of any covenant, representation or warranty or any other obligation or agreement of the Company under the definitive agreement(s) related to the Proposed Transaction or which could result in any of the conditions to the Company's obligations under such agreement(s) not being fulfilled, in each case unless otherwise determined by the Proposing Shareholders. In any event the Proposed Transaction is brought to a vote at a shareholders meeting, any Shareholder who shall have failed to vote in favor of such Proposed Transaction, shall be deemed to have given an irrevocable proxy to such person as shall be designated by the Board to vote for the acceptance of such Proposed Transaction.
- 17.2. Each Remaining Shareholder shall take all necessary actions in connection with the consummation of the Proposed Transaction as requested by the Company or the Proposing Shareholders and shall, if requested by the Proposing Shareholders, execute and deliver any agreements and instruments prepared in connection with such Proposed Transaction which agreements are executed by the Proposing Shareholders and shall waive any dissenting minority or similar rights in connection with such Proposed Transaction.
-

- 17.3. Upon receipt of the Drag Along Notice, each Remaining Shareholder shall be obligated to sell all of its shares, or vote to approve such Proposed Transaction, notwithstanding any other no sale right, first refusal rights or other rights, and the proceeds of such Proposed Transaction shall be distributed among all Shareholders in accordance with the liquidation preference provisions set forth in Article 8.1 above.
- 17.4. At the closing of the Proposed Transaction (which place, date and time shall be designated by the Proposing Shareholders and provided to each of the Remaining Shareholders at least 5 days in advance), each such Remaining Shareholder shall deliver certificates evidencing all of its shares, duly endorsed or accompanied by written instruments of transfer in form satisfactory to the Third Party, duly executed by such Remaining Shareholder, against delivery of the purchase price therefore.
- 17.5. In the event that a Remaining Shareholder fails to surrender its certificate or an affidavit of a lost certificate, in a form acceptable to the Board, in connection with the consummation of a Proposed Transaction, such certificate shall be deemed cancelled and the Company shall be authorized to issue a new certificate in the name of the Remaining Shareholder and the Board of Directors shall be authorized to establish an escrow account, for the benefit of such Remaining Shareholder into which the consideration for such securities represented by such cancelled certificate shall be deposited and to appoint a trustee to administer such account.
- 17.6. Anything in these Articles to the contrary notwithstanding, the General Meeting shall, if requested by the Proposing Shareholders, assume the power and authority of the Board to discuss and approve, for all intents and purposes, the Proposed Transaction on behalf of the Company, effective as of the time on which the written consent of the Proposing Shareholders shall have been received by the Company.
- 17.7. In the event that the Proposing Shareholders consent to the Proposed Transaction, any sale or other transfer, assignment or conveyance of shares by the Shareholders, other than pursuant to the Proposed Transaction, shall be absolutely prohibited.
- 17.8. Each Shareholder recognizes and accepts that the powers granted to the Company or the Board as set forth in this Article 17 are granted in order to ensure and protect the rights of the other Shareholders and that therefore, such powers, upon the use thereof shall be irrevocable with respect to such matter or action with respect to which the Board has exercised such powers.
- 17.9. With respect to Section 341 of the Companies Law, the Shareholders specifically agree to amend the provisions set forth therein in the following manner:
- 17.9.1. the threshold set forth in Section 341 shall mean the Proposing Shareholders threshold set forth in Article 17 (ii).
- 17.9.2. the parties acknowledge that the application of the distribution preference provisions set forth in Article 8.1 shall not be deemed to mean that the Shareholders are offered different treatment or terms in the Proposed Transaction (even if certain Proposing Shareholders will receive consideration and benefits that other Shareholders will not receive).
- 17.9.3. the parties agree that the timeframe set forth in Section 341(a) for accepting the Proposed Transaction by the Proposing Shareholders shall not be limited to the time frame specified in the aforementioned provision.
-

- 17.9.4. the parties agree that the notices that should be sent by the Third Party according to the provisions set forth in Section 341(a) and 341(c) (each a “**341 Notice**”) may be sent by either the Third Party or the Company and the time frame set forth in the aforementioned provisions for sending each of the 341 Notices shall not be limited to the time frame specified therein.
- 17.9.5. the parties agree that Section 341(d) should not be interpreted or construed in a manner which limits the Shareholders' power only to the amendment of the threshold set forth in Section 341(a), by allowing to lower the eighty percent (80%) threshold required by the Companies Law to the threshold contemplated in these Articles, but also to amend any procedural and other terms set forth under Section 341, and therefore the terms set forth herein are to supersede the provisions of Section 341.
- 17.9.6. For the purposes of this Article 17, if the Proposed Transaction is in the form of a: (i) merger, when computing the Proposing Shareholders threshold, the provisions of Section 320(c) of the Companies Law shall apply; and (ii) share purchase agreement, in the event the Third Party is a Shareholder, or is a Person, which, directly or indirectly, controls, or is under common control with a Shareholder, the said Shareholder shall be considered to be an "Interested Shareholder" and as such, shall not be included in calculating the Proposing Shareholders threshold.
- 17.10. Notwithstanding the foregoing, a Remaining Shareholder will not be required to comply with the requirements of this Article 17 in connection with any Proposed Transaction unless:
- 17.10.1. any representations and warranties to be made by such Remaining Shareholder in connection with the Proposed Transaction are limited to representations and warranties related to authority, ownership and the ability to convey title to such Shares, including but not limited to representations and warranties that (i) the Remaining Shareholder holds all right, title and interest in and to the Shares such Remaining Shareholder purports to hold, free and clear of all liens and encumbrances, (ii) the obligations of the Remaining Shareholder in connection with the transaction have been duly authorized, if applicable, (iii) the documents to be entered into by the Remaining Shareholder have been duly executed by the Remaining Shareholder and delivered to the acquirer and are enforceable against the Remaining Shareholder in accordance with their respective terms and (iv) neither the execution and delivery of documents to be entered into in connection with the transaction, nor the performance of the Remaining Shareholder's obligations thereunder, will cause a breach or violation of the terms of any agreement, law or judgment, order or decree of any court or governmental agency;
- 17.10.2. the Remaining Shareholder shall not be liable for the inaccuracy of any representation or warranty made by any other Person in connection with the Proposed Transaction, other than the Company (except to the extent that funds may be paid out of an escrow established to cover breach of representations, warranties and covenants of the Company as well as breach by any Remaining Shareholder of any of identical representations, warranties and covenants provided by all Shareholders);
-

- 17.10.3. the liability for indemnification, if any, of such Remaining Shareholder in the Proposed Transaction and for the inaccuracy of any representations and warranties made by the Company in connection with such Proposed Transaction, is several and not joint with any other Person (except to the extent that funds may be paid out of an escrow established to cover breach of representations, warranties and covenants of the Company as well as breach by any Shareholder of any of identical representations, warranties and covenants provided by all Shareholders), and is pro rata in proportion to the amount of consideration paid to such Remaining Shareholder in connection with such Proposed Transaction (in accordance with the provisions of the Articles); and
- 17.10.4. liability of such Remaining Shareholder shall be limited to such Remaining Shareholder's applicable share (determined based on the respective proceeds payable to each Shareholder in connection with such Proposed Transaction in accordance with the provisions of the Articles) of a negotiated aggregate indemnification amount that applies equally to all Shareholders but that in no event exceeds the amount of consideration otherwise payable to such Remaining Shareholder in connection with such Proposed Transaction, except with respect to claims related to fraud by such Remaining Shareholder, the liability for which need not be limited as to such Remaining Shareholder.
- 17.11. Notwithstanding anything to the contrary herein, if BWAY exercises the Call Option pursuant to the Call Option Agreement and elects, in accordance with such agreement, to consummate a Company Acquisition (as defined therein), then such Company Acquisition shall be deemed a Proposed Transaction for purposes of this Article 17. In such event, the execution of the Call Option Agreement by the Grantors (as defined therein) shall be deemed to constitute the affirmative consent required under Article 17 (ii), and each such Grantor shall be deemed a Proposing Shareholder for purposes of this Article 17, without any further action or consent required. The provisions of this Article 17 shall apply mutatis mutandis to effect the transfer of all Shares to BWAY, and each Shareholder shall take all actions required to facilitate the consummation of such Company Acquisition, including voting in favor thereof and executing all relevant agreements and instruments, as further provided in the Call Option Agreement.
- 17.12. Without derogating from Article 17.11 above, to the fullest extent permissible under applicable law, each Shareholder hereby (i) irrevocably waives and agrees not to assert any appraisal rights, dissenters' rights, or similar claims under applicable law in connection with any Proposed Transaction that constitutes a Company Acquisition pursuant to the Call Option Agreement, (ii) agrees that any and all costs, expenses or liabilities incurred by the Investor or the Company, in accordance with the Call Option Agreement and in connection with any such rights asserted by non-signing Shareholders (including legal fees, settlement payments, or judgment amounts) may be deducted from the consideration payable to such Shareholders in accordance with the provisions of the Call Option Agreement, and (iii) acknowledges and agrees that no such event shall give rise to any claim for increased consideration or other compensation from the Investor or the Company.

Lien

18. The Company shall have a lien and first pledge on every Share that was not paid up in full, in respect of money due to the Company on calls for payment or payable at fixed times, whether or not presently payable, or the fulfillment and performance of the obligations and commitments to which the Company is entitled in respect of the Share. The lien on a Share shall also apply to Dividends and other distributions payable on it. The directors may exempt any Share, in full or in part, temporarily or permanently, from the provisions of this Article.
-

19. The Company may sell any Share on which it has a lien in any manner the Board sees fit, but such Share shall not be sold before the date of payment of the amount in respect of which the lien exists, or the date of fulfillment and performance of the obligations and commitments in consideration of which the lien exists, has arrived, and until fourteen (14) days have passed after written notice has been given to the registered holder at that time of the Share, or to whoever is entitled to it upon the registered owner's death or bankruptcy, demanding payment of the amount against which the lien exists, or the fulfillment and performance of the obligations and commitments in consideration of which the lien exists, and such payment or fulfillment and performance have not been made.
20. The net proceeds of the sale shall be applied in payment of the amount due to the Company for the fulfillment and performance of the obligations and commitments as aforesaid in the preceding Article, and the remainder, if any, shall be paid to whoever is entitled to the Share on the day of the sale, subject to a lien on amounts the date of payment of which has not yet arrived, similar to the lien on the Share before its sale.
21. After the execution of a sale of pledged Shares as aforesaid, the Board shall be permitted to sign or to appoint someone to sign a deed of transfer of the sold Shares and to register the purchaser's name in the Register as the owner of the Shares so sold, and it shall not be the obligation of the buyer to supervise the application of the purchase price nor will his right in the Shares be affected by any fault or error in the procedure of sale. The sole remedy of one who has been aggrieved by the sale shall be in damages only and against the Company exclusively.

Calls for Payment

22. With respect to Shares not fully paid for according to their terms of issuance, a Shareholder, whether he is the sole holder of Shares or holds the Shares together with another Person, shall not be entitled to receive Dividends nor any other right a Shareholder has unless he has paid all the calls by the Company which shall have been made from time to time.
 23. Subject to any contractual undertakings of the Company, the Board may make calls for payment from Shareholders of the amount not yet paid up on their Shares as the Board shall see fit, provided that the Company gives the Shareholders prior notice of at least fourteen (14) days on every call and that the date for payment set forth in such notice be not less than one month after the last call for payment. Each Shareholder shall pay the amount called to the Company on the date and at the place prescribed in the Company's notice.
 24. The joint holders of a Share shall be jointly and severally liable to pay the calls for payment on such Share in full.
 25. If the amount called is not paid by the prescribed date, the Person from whom it is due shall be liable to pay such index linkage differentials and interest as the Board shall determine, from the date on which payment was prescribed until the day on which it is paid, but the Board may forego the payment of such linkage differentials or interest, in whole or in part.
 26. Any amount that, according to the conditions of issuance of a Share, must be paid at the time of issuance or at a fixed date, whether on account of the par value of the Share or premium, shall be deemed for the purposes of these Articles to be a call for payment that was duly made. In the event of non-payment of such amount all the provisions of these Articles shall apply in respect of such amount as if a proper call for its payment had been made and an appropriate notice thereof given.
 27. At the time of issuance of Shares the Board may make arrangements that differentiate between Shareholders, in respect of the amounts of calls for payment, their dates of payment or the rate of interest.
 28. The Board may, if it thinks fit, accept from any Shareholder for his Shares any amount of money the payment of which has not yet been called and paid, and to pay him (i) interest for that advance until the day on which payment of that amount would have been due had he not paid it in advance, at a rate agreed between the Company and such Shareholder, and (ii) any Dividends that may be paid for that part of the Shares for which the Shareholder has paid in advance.
-

Forfeiture of Shares

29. If a Shareholder fails to pay any call or installment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of such call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued and any expenses that were incurred as a result of such non-payment.
30. The notice shall specify a date not less than seven (7) days from the date of the notice, on or before which the payment of the call or installment or part thereof is to be made together with interest and any expenses incurred as a result of such non-payment. The notice shall also state the place the payment is to be made and that in the event of non-payment at or before the time appointed, the Share in respect of which the call was made will be liable to forfeiture.
31. If the requirements of any such notice as aforesaid are not complied with, any Share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
32. The forfeiture shall apply to those Dividends that were declared but not yet distributed with respect to the forfeited Shares.
33. A Share so forfeited shall be deemed to be the property of the Company and can be sold or otherwise disposed of, on such terms and in such manner as the Board thinks fit. At any time before a sale or disposition the forfeiture may be canceled on such terms as the Board thinks fit.
34. A Person whose Shares have been forfeited shall cease to be a Shareholder in respect of the forfeited Shares, but shall nevertheless remain liable to pay to the Company all moneys which, at the date of forfeiture, were presently payable by him to the Company in respect of the Shares, but his liability shall cease if and when the Company receives payment in full of the nominal amount of the Shares.
35. The forfeiture of a Share shall cause, at the time of forfeiture, the cancellation of all rights in the Company and of any claim or demand against the Company with respect to that Share, and of other rights and obligations between the Share owner and the Company accompanying the Share, except for those rights and obligations which these Articles exclude from such a cancellation or which the Law imposes upon former Shareholders.
36. The Person to whom the Share is sold or disposed of shall be registered as the holder of the Share and shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the Share.
37. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a Share, becomes payable at a fixed time, whether on account of the par value of the Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Transfer of Shares

38. No Transfer of Shares shall be effective unless the Transfer is not in violation of Articles 39, 40 and 41 and has been approved by the Board, which consent shall not be unreasonably withheld or delayed, provided that such consent shall not be required for a transfer to a Permitted Transferee or from a Permitted Transferee back to the original Shareholder; provided, that with respect to any Grantor, any Transfer to a Permitted Transferee shall, until the Call Option terminates or expires, be expressly conditioned upon such Permitted Transferee becoming a party to the Call Option Agreement by executing and delivering a joinder or counterpart thereto in form and substance satisfactory to BWAY, thereby becoming subject to the terms and conditions of the Call Option Agreement as a "Grantor" with respect to the Shares so Transferred. The Board may refuse to register a Transfer in the event that such a Transfer is to a competitor of the Company, or in the event that such a Transfer would result in the Company having more than 50 shareholders. In the event that the Board does not notify the transferor of its refusal to allow a Transfer together with a detailed reasoning for such refusal within fourteen (14) days of receipt by the Company of a request for Transfer which includes the identity of the transferor then the Board shall be deemed to have approved such Transfer, provided that such agreement by the Board will be deemed to be subject to compliance by the transferor and the transferee with the terms of these Articles related to a Transfer.
-

39. No Sale.

- 39.1. Until a QIPO, and subject in any event to Article 39.3 below, the Founders shall be entitled to sell, transfer, assign, pledge or otherwise dispose of (each, a "**Transfer**") up to 10% of his securities in the Company, calculated on the date of adoption of these Articles, per year, but neither Founder shall Transfer in the aggregate more than 25% of his securities in the Company, calculated on the date of adoption of these Articles, other than to his Permitted Transferees, without the approval of (A) the Preferred B Majority and (B) the holder of the Special Share or the Preferred S Majority, except in connection with a sale of all or substantially all of the Shares of the Company.
- 39.2. Until the expiration of a three (3) year period as of the Initial Closing of the Preferred B Investment Agreement as such term is defined therein, and subject in any event to Article 39.3 below, no Key Employee shall be entitled to Transfer any of its securities in the Company, other than to his Permitted Transferees, without the approval of (A) the Preferred B Majority and (B) the holder of the Special Share or the Preferred S Majority, except in connection with a sale of all or substantially all of the Shares of the Company.
- 39.3. Unless and until the Call Option expires or is terminated, except as may be required to give effect to the transactions contemplated by the Call Option or with the prior written consent of BWAY (and subject to the conditions determined by BWAY) and the Preferred B Majority (if other than pursuant to and in accordance with the terms of the Call Option Agreement), each of the Grantors shall not, directly or indirectly, Transfer any of its Shares or any interest therein, nor create any Encumbrance thereon, nor enter into any agreement to do any of the foregoing, prior to the earlier of the Option Closing or 11:59 PM and 59 seconds (Israel time) on the Expiry Date, if no Exercise Notice has been provided by the Investor prior to such time. In this Article 39.3, capitalized terms not defined elsewhere in these Articles carry the meanings given to them in the Call Option Agreement.

For purposes of this Article 39, any Transfer of securities in any corporate Shareholder controlled by a Key Employee or Founder (alone or with others), which is not considered a transfer to a Permitted Transferee, as well as any Transfer of securities which would result in a change of control in any corporate Shareholder controlled by a Grantor, shall be deemed to be a Transfer of securities in the Company and therefore limited as aforesaid.

40. Right of First Refusal. Subject to the provisions of Article 39, and without derogating therefrom, until a QIPO, each Major Holder (an "**Entitled Shareholder**"), shall have a right of first refusal with respect to any Transfer of all or any of the securities of the Company by any other Shareholder (the "**Transferor**") other than to a Permitted Transferee of such Transferor or pursuant to the Call Option Agreement, in accordance with the following provisions:

- 40.1. Any Transferor proposing to Transfer all or any of its Shares (the "**Offered Shares**") shall first provide the Entitled Shareholders with an offer stating the identity of the Transferor and of the transferee and the terms of the proposed Transfer (the "**Offer**"). Each of the Entitled Shareholders may accept such Offer in respect of any portion of the Offered Shares ("**Accepting Entitled Shareholders**") by giving the Company notice to that effect within fourteen (14) days after being served with the Offer (an "**Acceptance**").
-

- 40.2. If the Acceptances, in the aggregate, are in respect of all of, or more than, the Offered Shares, then the Accepting Entitled Shareholders shall acquire the Offered Shares, on the terms aforementioned, in proportion to their respective holdings of the Company's issued and outstanding share capital (calculated on an as-converted basis), provided, however, that no Accepting Entitled Shareholders shall be entitled or shall be forced to acquire under the provisions of this Article 40 more than the number of Offered Shares initially accepted by such Accepting Entitled Shareholder under the Acceptance, and upon the allocation to it of the full number of Offered Shares so accepted, such Accepting Entitled Shareholder shall be disregarded in any subsequent computations and allocations hereunder. Any Offered Shares remaining after the computation of such respective entitlements shall be re-allocated among the remaining Accepting Entitled Shareholders (other than those to be disregarded as aforesaid), in the same manner, until one hundred percent (100%) of the Offered Shares have been allocated as aforesaid.
- 40.3. If the Acceptances are in respect of less than the full number of Offered Shares, then the Accepting Entitled Shareholders shall not be entitled to acquire the Offered Shares, and the Transferor, at the expiration of the aforementioned fourteen (14) day period, shall be entitled to Transfer all (but not less than all) of the Offered Shares to the proposed transferee(s) identified in the Offer, provided, however, that in no event shall the Transferor Transfer any of the Offered Shares to any transferee other than such proposed transferee(s) or Transfer the same on terms more favorable to the transferee(s) than those stated in the Offer, and provided, further, that any Offered Shares not Transferred within ninety (90) days after the expiration of such fourteen (14) day period, shall again be subject to the provisions of this Article 40.
- 40.4. The Transferor shall be bound, upon payment of the offer price, to Transfer to the Accepting Entitled Shareholders the Offered Shares which have been allocated to the Accepting Entitled Shareholders pursuant to this Article 40. If, after becoming so bound, the Transferor defaults in Transferring the Offered Shares, the Company may receive the purchase price therefor and the Transferor shall be deemed to have appointed any member of the Board as his agent to execute a Transfer of the Offered Shares to the Accepting Entitled Shareholders and, upon execution of such Transfer, the Company shall hold the purchase price therefor in trust for the Transferor.
- 40.5. For purposes of this Article 40, any Transfer of securities in any corporate Transferor by a shareholder thereof, which is not considered a transfer to a Permitted Transferee, shall be deemed to be a Transfer of securities in the Company and therefore limited as aforesaid.
- 40.6. The right of first refusal set forth in this Exhibit C shall not apply to: (a) a Transfer which is part of a Drag Along and (b) a Transfer which is part of an IPO.

41. Co-Sale

- 41.1. Until a QIPO, in the event of a Transfer of Ordinary Shares by an Ordinary Shareholder, such Ordinary Shareholder proposing to make the Transfer (the "**Co-Sale Transferor**") shall promptly notify each Major Holder that holds Preferred Shares (a "**Co-Sale Entitled Shareholder**") in writing describing in such notification the identity of the proposed transferee, the number and type of securities being Transferred and the terms of the proposed Transfer (the "**Co-Sale Transferor's Notice**").
- 41.2. Upon receipt of the Co-Sale Transferor's Notice, each Co-Sale Entitled Shareholder shall have the option, exercisable by written notice to the Co-Sale Transferor, within 14 days after receipt of the Co-Sale Transferor's Notice, to require the Co-Sale Transferor to provide as part of its proposed Transfer that such Co-Sale Entitled Shareholder be given the right to participate in the Transfer and (i) to Transfer up to such amount of securities in the Company owned by such Co-Sale Entitled Shareholder determined by multiplying the total number of securities being Transferred times a fraction, the numerator of which is the number of issued and outstanding shares held by such Co-Sale Entitled Shareholder (assuming for purposes of this section, the conversion into Ordinary Shares of all Preferred Shares) and the denominator of which is the total number of issued and outstanding shares held by all of the Co-Sale Entitled Shareholders and the Co-Sale Transferor (assuming, for purposes of this section, the conversion into Ordinary Shares of all Preferred Shares) (the "**Pro Rata Shares**"), or (ii) in the event that the Transfer results in an M&A Transaction, to Transfer up to all of the Shares then held by such Co-Sale Entitled Shareholder in the Company (the "**Total Shares**"; the Pro Rata Shares together with the Total Shares, the "**Co-Sale Participating Shares**"); by including the Co-Sale Participating Shares held by such Co-Sale Entitled Shareholder with the securities being Transferred to any proposed purchaser thereof. The Transfer by any such Co-Sale Entitled Shareholder in accordance with this Article 41.2, shall be on the same terms and conditions under which the securities of the Co-Sale Transferor are being Transferred, provided that if the Transfer transaction qualifies as a Deemed Liquidation, pursuant to Article 8.1 above, then the proceeds obtained from such Transfer transaction shall be allocated in accordance with the provisions of Article 8.1.
-

- 41.3. In the event that Co-Sale Entitled Shareholders choose to exercise their rights hereunder (“Exercising Co-Sale Entitled Shareholders”), the Co-Sale Transferor must reduce the number of securities it desires to Transfer from the total amount of securities to be purchased by the proposed transferee and the Exercising Co-Sale Entitled Shareholders will contribute all of their Co-Sale Participating Shares and the Transferor will contribute the remaining number of securities up to the total number of securities to be purchased by the proposed transferee.
- 41.4. For purposes of this Article 41, any Transfer of securities in any corporate Co-Sale Transferor by a Co-Sale Transferor thereof, which is not considered a transfer to a Permitted Transferee, shall be deemed to be a Transfer of securities in the Company and therefore limited as aforesaid.
42. The rights of first refusal and rights of co-sale set forth in Articles 40 and 41 respectively shall not apply to a Transfer of securities from a Shareholder to a Permitted Transferee of a Shareholder, back to the original Shareholder and/or to a Permitted Transferee of such Permitted Transferee, provided, that such Permitted Transferee remains within the definition of a Permitted Transferee of the Transferor or Co-Sale Transferor, as applicable.
- 42A. Notwithstanding anything to the contrary in these Articles (including, without limitation, Articles 39 through 42), any Transfer of Shares in connection with the exercise of the Call Option under the Call Option Agreement, including any Transfer effected pursuant to a Drag Along transaction initiated as part of a Company Acquisition in accordance with Article 17.11, shall be exempt from all transfer restrictions set forth in these Articles, including but not limited to restrictions under the “No Sale” provisions of Article 39, the Right of First Refusal under Article 40, and the Co-Sale rights under Article 41. Without derogating from the foregoing or from Article 17.11, each Shareholder expressly and irrevocably (i) waives any rights of first refusal, co-sale rights, or other similar rights (contractual or statutory) that might otherwise apply in connection with any such Transfer of Shares, including a Proposed Transaction effected pursuant to the Drag Along provisions of Article 17.11 in furtherance of the Call Option Agreement, and (ii) agrees that the execution of the Call Option Agreement and approval of the transactions contemplated thereby shall constitute all approvals necessary under these Articles for purposes of compliance with any such Transfer.
- 42B. For the avoidance of doubt, no Transfer of Shares by a Shareholder to BWAY pursuant to the Call Option Agreement shall require any further approval, notice, waiver, offer or other action under Articles 39–42, and shall be deemed fully approved by the Board and all Shareholders (including by each class thereof) in accordance with these Articles.
43. Each Transfer of securities shall be made in writing in such form as shall be approved by the Board from time to time, in which, inter alia, the transferee agrees to be subject to these Articles of Association (as may be amended), and which shall be executed by both the transferor and transferee, and delivered to the Office together with the transferred share certificates, if share certificates have been issued with respect to the shares to be transferred, and any other proof of the transferor’s title that the Board may require. The share transfer deed with respect to a share that has been fully paid may be signed by the transferor only. A deed of transfer that has been registered, or a copy thereof, as shall be decided by the Board, shall remain with the Company; any deed of transfer that the Board shall refuse to register shall be returned, upon demand, to the Person who furnished it to the Company, together with the share certificate, if furnished.
-

44. The transferor shall be deemed to remain a holder of the shares until the name of the transferee is entered into the Register in respect thereof.
45. The Company may impose a fee for registration of a share transfer, at a reasonable rate as may be determined by the Board from time to time.
46. Upon the death of a Shareholder, the remaining partners, in the event that the deceased was a partner in a share, or the administrators or executors or heirs of the deceased, in the event the deceased was the sole holder of the share or was the only one of the joint holders of the share to remain alive, shall be recognized by the Company as the sole holders of any title to the shares of the deceased. However, nothing aforesaid shall release the estate of a joint holder of a share from any obligation to the Company with respect to the share that he held in partnership.
47. Any Person becoming entitled to a share as a consequence of the death or bankruptcy or liquidation of a Shareholder shall, upon such evidence being produced as may from time to time be required by the Board, have the right either to be registered as a Shareholder in respect of the share, or, instead of being registered himself, to transfer such share to another Person, in either instance subject to the Board's power hereunder to refuse or delay registration as they would have been entitled to do if the deceased or the bankrupt had transferred his share before his death or before his bankruptcy, and subject to all other provisions hereof relating to transfers of shares.
48. A Person becoming entitled to a share because of the death of a Shareholder shall be entitled to receive, and to give receipts for, dividends or other payments paid or distributions made, with respect to the share, but shall not be entitled to receive notices with respect to General Meetings or to participate or vote therein with respect to that share, or to use any other right of a Shareholder, until he has been registered as a Shareholder with respect to that share.

Changing Share Rights

49. Subject to the provisions of these Articles, if at any time the share capital is divided into different classes of shares, the Company may change, convert, broaden, add or vary in any other manner the rights, preferences or privileges attached to such classes by resolution of the General Meeting of the Company.
 50. Without derogating from the foregoing, only a direct change to the rights attached to a certain class of shares under these Articles shall require an approval obtained at a meeting of the holders of such class of shares or the written consent of the holders of more than fifty percent (50%) of the issued shares of such class. It is hereby clarified that any resolution required to be adopted pursuant to these Articles by the consent of a separate class of shares, whether by way of a separate General Meeting of such class or by way of written consent, shall be given by the holders of shares of such class entitled to vote or give consent thereon and no holder of shares of a certain class shall be banned from voting or consenting by virtue of being a holder of more than one class of shares of the Company, irrespective of any conflicting interests that may exist between such different classes of shares. A Shareholder shall not be required to refrain from participating in the discussion, voting and/or consenting on any resolution concerning an amendment to any class of shares held by such Shareholder, due to the fact that such Shareholder may benefit in one way or another from the outcome of such resolution.
 51. For the avoidance of doubt, it is hereby clarified and agreed that (i) an increase of the authorized or issued share capital of an existing class of shares; (ii) the creation of a new class of shares or the issuance of shares thereof; (iii) a change of the conversion price of any class of shares; (iv) a waiver or a change, in whole or in part, to a right, preference or privilege of a class of shares (such as liquidation rights, registration rights, pre-emptive rights, etc, whether set forth in these Articles or in any agreement), whether applied on a one-time or permanent basis and whether applied in connection with a current or a future event, which waiver or change is applied in the same manner to all classes of shares to which such waiver or change is applicable, regardless whether the economic effect of such change affects classes of shares differently, shall not be deemed to be a direct change to the rights attached to any one (1) class of shares. Furthermore, any waiver or change to the rights attached to a class of shares shall not be deemed to be a direct change to the rights attached to another class of shares if such other class of shares was not entitled to the relevant rights prior to such waiver or change.
-

52. [Reserved]

Modification of Capital

53. The Company may, from time to time, by a resolution in a General Meeting, and subject to the provisions of these Articles:

- 53.1. consolidate and divide its share capital or a part thereof into shares of greater value than its existing shares;
- 53.2. cancel any shares which have not been purchased or agreed to be purchased by any Person;
- 53.3. by subdivision of its existing shares, or any of them, divide the whole, or any part, of its share capital into shares of lesser value than is fixed by these Articles, and in a manner so that with respect to the shares created as a result of the division it will be possible to grant to one or more shares a right of priority, preference or advantage with respect to dividend, capital, voting or otherwise over the remaining or similar share;
- 53.4. reduce its share capital, and any fund reserved for capital redemption, in the manner that it shall deem to be desirable under the provisions of Section 287 of the Companies Law;
- 53.5. increase its share capital, regardless of whether or not all of its shares have been issued, or whether the shares issued have been paid in full, by the creation of new shares, divided into shares in such par value, and with such preferred or deferred or other special rights (subject always to the provisions of these Articles), and subject to any conditions and restrictions with respect to Dividends, return of capital, voting or otherwise, as shall be directed by the resolution; or
- 53.6. convert part of its issued and paid-up shares into deferred shares.

General Meetings

- 54. A General Meeting shall be held at least once every year, at such place and time as may be prescribed by the Board but in any event not more than fifteen (15) months after the preceding General Meeting. The annual General Meetings shall be called Annual General Meetings; all other General Meetings shall be called Special General Meetings.
 - 55. The Board, whenever it thinks fit, may, and upon a demand in writing by: (i) a director; or (ii) one or more Shareholders holding (on an as-converted basis) at least ten percent (10%) of the issued and outstanding share capital and at least one percent (1%) of the voting rights; or (iii) one or more Shareholders holding at least ten percent (10%) of the voting rights in the Company, shall, be entitled to convene a Special General Meeting. Any such demand shall include the objects for which the meeting should be convened, shall be signed by those making the demand (the “**Petitioners**”) and shall be delivered to the Office. The demand may contain a number of documents similarly worded each of which are signed by one or more of the Petitioners. If the directors do not convene a meeting, the Petitioners may convene by themselves a Special General Meeting as provided in Section 64 of the Companies Law.
 - 56. Notices of General Meetings shall be given as follows:
-

- 56.1. A prior notice of at least seven (7) days and no more than thirty (30) days (not including the day of delivery but including the day of the meeting) of any General Meeting shall be given with respect to the place, date and hour of the meeting and the nature of every subject on its agenda.
 - 56.2. The notice shall be given to Shareholders entitled pursuant to these Articles to receive notices from the Company, as hereinafter provided.
 - 56.3. Non-receipt of a notice, given as aforesaid, shall not invalidate the resolution passed or the proceedings held at the relevant Meeting.
 - 56.4. With the consent of all the Shareholders who are entitled at such time to receive notices, the Company shall be permitted to convene Meetings and to resolve any resolution, upon shorter notice or without any notice and in such manner, generally, as shall be approved by the Shareholders.
57. Notwithstanding anything to the contrary herein or to applicable law, the holders of the Preferred Shares shall vote together with the holders of all other shares of the Company, and not as a separate class, in all Shareholders meetings. Each Preferred Share shall entitle the holder thereof to such number of votes as if such shares had been converted into Ordinary Shares.

Proceedings of General Meetings

- 58. Subject to the provisions of these Articles, the function of the General Meeting shall be to receive and to deliberate with respect to the profit and loss statements, the balance sheets, the ordinary reports and the accounts of the directors and auditors; to declare Dividends, to appoint accountants-auditors and to fix their salaries, to amend these Articles, to approve certain actions and transactions under the provisions of Section 255 and Section 268 through Section 275 of the Companies Law.
- 59. No matter shall be discussed at a General Meeting unless a quorum is present at the time when the General Meeting starts its discussions. Subject to the provisions of these Articles, two or more Shareholders present, personally or by proxy, who hold or represent the majority of the voting rights in the Company, including (A) the Preferred B Majority and (B) the holder of the Special Share or the Preferred S Majority, shall constitute a quorum for General Meetings (it being understood that without derogating from the requirement to obtain the consent of the holder of the Special Share with respect to the specific matters for which its consent is required, the Special Share does not vote, and any written consent can be obtained without requiring the signature of the holder of the Special Share).
- 60. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, shall stand adjourned to the same place and time one week from the date of the original meeting. If a notice of the adjourned meeting has been given to the Shareholders, and a quorum is not present at the adjourned meeting within half an hour from the time appointed for the meeting, two or more Shareholders present personally or by proxy, shall be a quorum, and shall be entitled to deliberate and to resolve in respect of the matters for which the meeting was convened.
- 61. The chairman of the Board or a director appointed by the Board for such purpose shall open all General Meetings and shall preside as chairman at the meeting.
- 62. The provisions of these Articles relating to General Meetings shall, mutatis mutandis, apply to any General Meeting of the holders of a particular class of shares (a “**Class Meeting**”), provided, however, that the requisite quorum at any such Class Meeting shall be one or more members present in person or by proxy and holding not less than a majority (50%) of the issued and outstanding shares of such class.

Vote by Shareholders

- 63. Every resolution put to the vote at a General Meeting shall be decided by a count of votes. Subject to any provision in the Law or in these Articles requiring a higher majority, all resolutions shall be passed by majority vote of the shares held by shareholders present at the meeting (on an as-converted basis).
 - 64. Subject to the provisions of these Articles, in a count of votes, each Shareholder present at a General Meeting, personally or by proxy, shall be entitled to one vote for each share held by it; provided that no Shareholder shall be permitted to vote at a General Meeting or to appoint a proxy to vote thereat unless he has paid all calls for payment and all moneys then due to the Company from him with respect to his shares.
-

65. If the number of votes for and against is equal the chairman of the meeting shall have no casting vote, and the resolution proposed shall be deemed rejected.
66. In the case of joint holders of a share, the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. The appointment of a proxy to vote on behalf of a share held by joint holders shall be executed by the signature of the senior of the joint holders. For the purposes of this Article, seniority shall be determined by the order in which the names of the joint holders stand in the Register.
67. An objection to the right of a Shareholder or a proxy to vote in a General Meeting must be raised at such meeting or at such adjourned meeting wherein that Person was supposed to vote, and every vote not disqualified at such a meeting shall be valid for each and every matter. The chairman of the meeting shall decide whether to accept or reject any objection raised at the appointed time with regard to the vote of a Shareholder or proxy, and his decision shall be final.
68. A Shareholder of unsound mind, or in respect of whom an order to that effect has been made by any court having jurisdiction, may vote, whether on a show of hands or by a count of votes, only through his legal guardian or such other Person, appointed by the aforesaid court, who performs the function of a representative or guardian. Such representative, guardian, or other Person may vote by proxy.
69. A Shareholder which is a corporation shall be entitled, by a decision of its board of directors, or by a decision of a person or other body according to a resolution of its board of directors, to appoint a person who it shall deem fit to be its representative at every meeting of the Company. The representative appointed as aforesaid shall be entitled to perform on behalf of the corporation he represents all the powers that the corporation itself might perform as if it were a person.
70. In every vote, a Shareholder shall be entitled to vote either personally or by proxy. A proxy need not be a Shareholder. Shareholders may participate in a General Meeting by means of a conference telephone call or similar communications equipment by means of which all persons participating in the meeting can hear each other and participation in a meeting pursuant to this Article shall constitute presence in person at such meeting. Shareholders may also vote in writing, by delivery to the Company, prior to a General Meeting, of a written notice stating their affirmative or negative vote on an issue to be considered by such meeting.
71. A letter of appointment of a proxy, power of attorney or other instrument pursuant to which the appointee is acting shall be in writing. An instrument appointing a proxy, whether for a specific meeting or otherwise, may be in the following form or in any other similar form prescribed by the Board:

“I, _____, of _____, a Shareholder holding shares in _____ hereby appoint _____ of _____ as my proxy to vote in my name and place at the [annual, special, adjourned - as the case may be] General Meeting of Neurolief Ltd. to be held on _____, and at any adjournment thereof.
In witness whereof signed by me this day of, _____.

Appointor's Signature”

Such instrument or a copy thereof shall be deposited at the Office, or at such other place as the Board may direct from time to time, before the time appointed for the meeting or adjourned meeting wherein the person referred to in the instrument is appointed to vote, or presented to the chairman at the meeting in which such person shall vote that share. An instrument appointing a proxy which is not limited in time shall expire twelve (12) months after the date of its execution; if the appointment shall be for a limited period (whether limited by time or until the occurrence of a certain event), whether in excess of twelve (12) months or not, the instrument shall be for the period stated therein.

72. A vote pursuant to an instrument appointing a proxy shall be valid notwithstanding the death of the appointor, or the appointor becoming of unsound mind, or the cancellation of the proxy or its expiration in accordance with any law, or the transfer of the shares with respect to which the proxy was given, unless a notice in writing of any such event was received at the Office before the meeting took place.
73. A Shareholder is entitled to vote by a separate proxy with respect to each share held by him, provided that each proxy shall have a separate letter of appointment containing the serial number of share(s) with respect to which such proxy is entitled to vote. If a specific share is included by the holder in more than one letter of appointment, that share shall not entitle any of the proxy holders to a vote.
74. Subject to the provisions of any law, a resolution in writing signed by all the holders of shares, entitled to vote with respect to such shares at General Meetings, or a resolution as aforesaid agreed upon by telex, telegram facsimile or email (with signatures attached), shall have the same validity as any resolution, carried in a General Meeting of the Company duly convened and conducted for the purpose of passing such a resolution. If all the Shareholders shall consent in writing, or by facsimile, to any action to be taken by the Shareholders, such action shall be as valid as though it had been unanimously authorized at a duly convened General Meeting.

Board

75. Board Composition. Subject to Article 144 below:
- 75.1 As of the Closing under the BWAY Investment Agreement (and subject thereto), the Board shall initially consist of up to five (5) directors, to be designated, appointed and removed as follows: (a) two (2) by KT (each, a “**KT Director**”); (b) one (1) by KT (the “**Preferred B Director**”) (who shall not be an employee or affiliate of KT), whose appointment shall be subject to the prior written approval of BWAY, not to be unreasonably withheld, delayed or conditioned); (c) one (1) by BWAY (a “**BWAY Director**”); and (d) one (1) shall be Amit Dar.
- 75.2 As of the Second Closing under the BWAY Investment Agreement (and subject thereto), the Board shall consist of up to five (5) directors, to be designated, appointed and removed as follows: (a) two (2) KT Directors; (b) the Preferred B Director (where any of the KT Directors and the Preferred B Director may be Amit Dar at KT’s election); and (c) two (2) by BWAY, one of whose appointment shall be subject to the prior written approval of KT, not to be unreasonably withheld, delayed or conditioned; and
- 75.3 As of the Third Closing under the BWAY Investment Agreement (and subject thereto), the Board shall consist of up to five (5) directors, to be designated, appointed and removed as follows: (a) two (2) KT Directors; (b) the Preferred B Director; and (c) two (2) BWAY Directors.
- 75.4 Each non-employee director shall be entitled in such person’s discretion to be a member of any Board committee.
- 75.5 Subject to the provisions set forth in Article 75.1 above, the appointment or removal of a director may be effected at any time, including during an initial or extended term of service of a director, by the delivery of a notice to the Company at its principal office, signed by the Shareholders or directors entitled to effect such appointment or removal. A director cannot be removed or replaced except by the Shareholders or directors who were entitled to appoint such director in accordance with Article 75.1.
76. If any member of the Board is not designated or appointed, or if the office of any member of the Board is vacated, the other members of the Board may act in every way and manner provided for under these Articles and the law as long as their number does not fall below the quorum required by these Articles for a Board meeting.
77. Except as set forth herein, any person may be an alternate member of the Board (an “**Alternate Director**”) if such person is qualified to serve as a director of the Company. Any Alternate Director shall have a vote equal to the vote of the Board member that he substitutes. An Alternate Director shall have, subject to his letter of appointment, all authorities vested to the member of the Board he substitutes. The tenure of office of an Alternate Director shall automatically be terminated upon the dismissal of such member, or upon the office of the member of the Board he substitutes being vacated for any reason, or upon the occurrence of one of the situations stated in Article 80 below in relation with such Alternate Director. In the event that a member of the Board is precluded by law or otherwise from participating in a meeting or a vote of the Board, such member shall be entitled to appoint an Alternate Director to so participate and/or vote in his place.
-

78. A director shall not be required to hold qualifying shares in the Company.
79. A director may hold another paid position or function, except as accountant-auditor, in the Company, or in any other company of which the Company is a Shareholder or in which the Company has some other interest, or that has an interest in the Company, together with his position as a director, upon such conditions with respect to salary and other matters as determined by the Board and approved by the General Meeting.
80. Subject to the provisions of the Law, of these Articles, or to the provisions of an existing contract, the tenure of office of a director shall automatically be terminated upon the occurrence of one of the following:
- 80.1. if he becomes bankrupt;
 - 80.2. if he is declared insane, becomes of unsound mind or legally incompetent;
 - 80.3. if he resigns by an instrument in writing delivered to the Company; or
 - 80.4. with his death and if it is a corporation or other entity, with the liquidation of such corporation or other entity.
81. Members of the Board shall not receive any remuneration for their services as a Board member from the Company's funds, unless otherwise resolved by the General Meeting, and at a rate decided by such resolution. The members of the Board shall be entitled to reimbursement of their expenses in the course of their performance of their duties as directors, including expenses in relation of participating in Board meetings, according to a reasonable reimbursement policy of the Company and subject to the prior approval of Board. The foregoing shall not be construed to apply to remuneration paid to any Board member who is also an employee (or service provider) of the Company.

Powers and Duties of Directors

82. The Board shall determine and direct the Company's policy and shall supervise and inspect the performance of the Company's CEO or General Manager and his or her actions and responsibilities, and it may pay all expenses incurred in connection with the establishment and registration of the Company as it shall see fit. The Board shall be entitled to perform the Company's powers and authorities pursuant to Section 92 of the Companies Law and subject to any provision in Law, in these Articles, or the regulations that the Company shall adopt by a resolution in its General Meeting (insofar as they do not contradict the Law or these Articles). However, any regulation adopted by the Company in its General Meeting as aforesaid shall not affect the legality of any prior act of the Board that would be legal and valid but for that regulation.
83. Without limiting the generality of the preceding provision, but subject to the provisions of these Articles, the Board may from time to time, in its discretion, borrow or secure the payment of any sum of money for the purposes of the Company, and it may raise or secure the repayment of such sum in such manner, at such times and upon such terms and conditions in all respects as it thinks fit, and, in particular, by the issue of bonds, perpetual or redeemable debentures, debenture stock, or any mortgages, charges, or other securities on the whole or any part of the property of the Company, both present and future, including its uncalled capital for the time being and its called but unpaid capital.

Functions of the Directors

84. The Board may meet in order to transact business, to adjourn its meetings or to organize them otherwise as it shall deem fit, in accordance with the Articles herein.
-

85. The directors shall select a chairman of the Board. Such chairman shall not have any additional or casting vote but, to the extent appointed, shall have the authority to conduct meetings of the Board, call meetings of the Board and determine the agenda for meetings of the Board.
 86. The presence of a majority of the directors then in office (which must include at least one BWAY Director and one KT Director, for as long as BWAY and KT, respectively, each has the right to appoint a Director) at the opening of a meeting, shall constitute a quorum for meetings of the Board. Notwithstanding the aforesaid, if within half an hour of the time arranged for the Board meeting no quorum is present, such meeting shall stand adjourned to the same day of the following week, at the same hour and in the same place, or in the event that such a day is not a Business Day, then to the first Business Day thereafter, and in such adjourned meeting if no quorum is present within half an hour of the time arranged, at least a majority of the directors, who are present at such adjourned meeting, shall be deemed a quorum.
 87. The Board may delegate any of its powers to committees and may from time to time revoke such delegation; provided that no committee of the Board will be established unless a majority of the directors then serving on the Board, approved its constitution, composition and authorities; and further provided that such delegation does not contradict Section 112 of the Companies Law. Any such committee shall, to the extent reasonably practicable, reflect the composition of the Board as set out in Article 75, in terms of the relative representation of Shareholders. The individuals appointed to any such committee need not be the same individuals serving on the Board, provided, however, that any nomination or appointment to a committee that would have required the approval of any Shareholder if made to the Board pursuant to Article 75 shall require the same approval when made to a committee. Each committee to which any powers of the Board have been delegated shall abide by any regulations enacted by the Board with respect to the exercise of such delegated powers. In the absence of such regulations or if such regulations are incomplete in any respect, the committee shall conduct its business in accordance with these Articles.
 88. Members of the Board or a committee thereof may participate in a meeting of the Board or the committee by means of a conference telephone call or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this Article shall constitute presence in person at such meeting.
 89. Every director may at any time request that a Board meeting be called and the Chairman shall call such a meeting upon such request.
 90. Any notice of a Board meeting can be given in writing, or by telegram, facsimile or telex and shall include reasonable detail of the issues of such meeting. Notice shall be given at least three (3) Business Days before the time appointed for the meeting, unless all of the members of the Board at that time agree to a shorter notice, or waive notice altogether.
 91. Subject to the other provisions of these Articles, issues raised before all meetings of the Board shall be decided by the majority of the voting power of the directors present at the meeting of the Board, with each director having one vote; provided, however, that if not all BWAY Directors are appointed by BWAY or not all KT Directors are appointed by KT (for the avoidance of doubt, not including for such purpose the Preferred B Director), the then-appointed BWAY Director(s) and KT Directors (for the avoidance of doubt, not including for such purpose the Preferred B Director), as the case may be shall have the voting power of the respective non-appointed directors.
 92. A resolution in writing signed or approved in writing (including by facsimile) by all of the directors entitled to participate and vote on the issue at stake shall be valid for any purpose as a resolution adopted at a Board meeting that was duly convened and held. In place of a director the aforesaid resolution may be signed and delivered by an Alternate Director.
 93. All actions performed bona fide by the Board or by any person acting as a director or as an Alternate Director shall be as valid as if each and every such person were duly and validly appointed and fit to serve as a director or an Alternate Director, as the case may be, even if at a later date a flaw shall be discovered in the appointment of such a director or such a person acting as aforesaid, or in his qualifications to so serve.
-

94. The Board shall cause minutes to be taken of all General Meetings of the Company, of the appointments of officers of the Company, and of Board's meetings, which minutes shall include the following items, if applicable: the names of the persons present; the matters discussed at the meeting; the results of votes taken; resolutions adopted at the meeting; and directives given by the meeting. The minutes of any meeting, signed or appearing to be signed by the chairman of the meeting, shall serve as prima facie proof of the truth of the contents of the minutes.
95. The directors shall comply with all provisions of the Companies Law, and especially with the provisions in respect of -
- 95.1. registration in the Company's books of all liens that affect the Company's assets;
 - 95.2. keeping a register of Shareholders;
 - 95.3. keeping a register of directors; and
 - 95.4. delivery to the Registrar of Companies of all notices and reports that are required to be so delivered.

Personal Interest

96. All transactions and actions in which an Office Holder (as such term is defined in the Companies Law) in the Company has a personal interest shall be approved in accordance with the provisions of the Companies Law.
97. The Company may approve an action of an Office Holder of the type listed in Section 254(a) of the Companies Law if the Board determines that all of the conditions for such approval, as set forth in the Companies Law, have been fulfilled and approves such action.

Local Management

98. The Board may organize from time to time arrangements for the management of the Company's business in any particular place, whether in Israel or abroad, as they shall see fit.
99. Without derogating from the general powers granted to the Board pursuant to the preceding Article, the Board may from time to time convene any local management or agency to conduct the business of the Company in any particular place, whether in Israel or abroad, and may appoint any person to be a member of such local management, or to be a director or agent, and may decide his manner of compensation. The Board may from time to time grant a person so appointed any power, authority, or discretion that the Board may have at that time, and may authorize any person acting at that time as a member of a local management to continue in his position notwithstanding that some position has been vacated there, and any such appointment or authorization may be made upon such conditions as the Board deems fit. The Board may from time to time relieve any person so appointed or revoke or change any such authorization.

CEO, General Manager, President, Secretary, Other Officers and Attorneys

100. Subject to the provisions of these Articles, the Board may from time to time appoint one or more persons, whether or not he is a member of the Board, as the Chief Executive Officer ("CEO") of the Company. The appointment may be either for a fixed period of time or without limiting the time that the CEO will stay in office. The Board may, from time to time, subject to any provision in any contract between the CEO and the Company, release him from his office and appoint another or others in his or their place. The CEO shall be responsible for the current operation of the Company's affairs within the bounds of the policy determined by the Board and subject to its directions. In addition, the Board may from time to time grant and bestow upon the CEO those powers and authorities that it exercises pursuant to these Articles and under the provisions of Section 92 of the Companies Law, as it shall deem fit, and may grant those powers and authorities for such period, and to be exercised for such objectives and purposes, in such time and conditions, and on such restrictions, as it shall decide; and it can from time to time revoke, repeal, or change any one or all of those powers or authorities.
101. Subject to the provisions of these Articles, the Board may from time to time appoint a Secretary to the Company, a Treasurer and/or Comptroller or Chief Financial Officer as well as other officers, personnel, agents and servants, including management companies, for fixed, provisional or special duties, as the Board may from time to time deem fit, and may from time to time, in its discretion, suspend and/or dismiss any one or more of such persons. The Board may determine the powers and duties of such persons, and may demand security in such cases and in such amounts as it deems fit.
-

102. Subject to the provisions of these Articles, the wages and any other compensation of the CEO and other managers, officers or personnel shall be determined from time to time by the Board, and it may be paid by way of a fixed salary or commission, or a percentage of profits or of the Company's turnover or of any other company that the Company has an interest in, or by participation in such profits, or in any combination of the aforementioned methods, or such other method as the Board shall determine.
103. The Board may from time to time directly or indirectly authorize any company, firm, person or group of people to be the attorneys in fact of the Company for purposes and with powers and discretion which shall not exceed those conferred upon the Board or which the Board can exercise pursuant to these Articles, and for such a period of time and upon such conditions as the Board may deem proper. Every such authorization may contain such directives as the Board deems proper for the protection and benefit of the persons dealing with such attorneys. The Board may also grant such an attorney the right to transfer to others, in part or in whole, the powers, authorities and discretions granted to him, and may terminate and revoke the appointments or revoke all or any part of the powers granted to them.

Dividends

104. Subject to these Articles and the provisions of Sections 301 through 311 (inclusive) of the Companies Law, the Company, at a General Meeting and upon the recommendation of the directors, may, subject to the approval of the (A) Preferred B Majority and the (B) holder of the Special Share or Preferred S Majority, declare a Dividend to be paid to the Shareholders, subject to their preferences and according to their rights and benefits under these Articles (including, without limitation, Article 8.1A (*Dividend Rights*), and to decide the time of payment. A Dividend may not be declared in excess of that recommended by the Board. Without derogating from the foregoing, the Company will not declare or pay any dividends on the Preferred Shares or the Ordinary Shares unless and until each of the accrued and unpaid amount of (i) the Preferred S Dividend Preference, (ii) the Preferred B-3/B-4 Dividend Preference (iii) the Preferred B/B-1/B-2 Dividend Preference, and (iv) the Preferred A/A-1 Dividend Preference, have been paid in full.
105. A notice of the declaration of a Dividend shall be given to the Shareholders registered in the Register, in the manner provided for in these Articles.
106. Subject to the provisions of these Articles, and subject to any rights or conditions attached at that time to any share in the capital of the Company granting preferential, special or deferred rights or not granting any rights with respect to Dividends, the profits of the Company which shall be declared as Dividends shall be distributed according to the proportion of the nominal value paid up to account of the shares held at the record date fixed by the Company, without regard to premium paid in excess of the nominal value, if any. No amount paid or credited as paid on a share in advance of calls shall be treated for purposes of this Article as paid on a share.
107. The Board may issue any share upon the condition that a Dividend shall be paid at a certain date, or that a portion of the declared Dividend for a certain period shall be paid, or that the period for which a Dividend shall be paid shall commence at a certain date, or any similar condition; in any such case, subject to the Law and these Articles, the Dividend shall be paid in respect of such a share in accordance with such a condition.
108. At the time of declaration of a Dividend the Company may decide that such a Dividend shall be paid in whole or in part by way of distribution of certain properties, including by means of distribution of fully paid up shares or debentures or debenture stock of the Company, or by means of distribution of fully paid up shares or debentures or debenture stock of any other company, or in one or more of the aforesaid ways.
109. The Company shall have a lien on any Dividend paid in respect of a share on which the Company has a charge, and may use it to pay any debts, obligations or commitments to which the charge applies.
-

110. The persons registered in the Register as Shareholders on the record date for declaration of the Dividend shall be entitled to receive the Dividend. A transfer of shares shall not transfer the right to a Dividend, which has been declared after the transfer but before the registration of the transfer.
111. A Dividend may be paid by, inter alia, check or payment order to be mailed to the address of a Shareholder or person entitled thereto as registered in the Register, or in the case of joint owners - to the address of one of the joint owners as registered in the Register. Every such check shall be made out to the person to whom it is sent. The receipt of the person who on the record date in respect of the Dividend is registered as the holder of any share or, in the case of joint holders, of one of the joint holders, shall serve as a release with respect to payments made in connection with that share.
112. If at any time the share capital is divided into different classes of shares, the distribution by way of Dividend, of fully paid up shares, or from funds, shall be made in one of the two following manners as to be determined by the Board:
- 112.1. all holders of shares entitled to fully paid up shares shall receive one uniform class of shares; or
- 112.2. each holder of shares entitled to fully paid up shares shall receive shares of the class of shares held by him and entitling him to fully paid up shares.
113. In order to give effect to any resolution in connection with a Distribution, the Board may resolve any difficulty that shall arise with respect to such Distribution in such way as it shall deem proper, including the issuance of certificates for fractional shares, and the determination of the value of certain property for purposes of Distribution. The Board may further decide that payment in cash shall be made to a Shareholder on the basis of value decided for that purpose, or that fractions the value of which is less than one New Israeli Shekel shall not be taken into account for the purpose of adjusting the rights of all the parties. The Board shall be permitted in this regard to grant cash or property to trustees in escrow for the benefit of persons entitled thereto, as the Board shall see fit. Wherever required, an agreement shall be submitted to the Registrar of Companies and the Board may appoint a person to execute such an agreement in the name of the persons entitled to any Dividend, property, fully paid-up shares or debentures as aforesaid, and such an appointment shall be valid and binding on the Company.
114. The Board may, with respect to all Dividends not demanded within thirty (30) days after their declaration, invest or use them in another way for the benefit of the Company, until they shall be demanded.
115. All Articles in these Articles of Association relating to Dividends, shall apply, *mutatis mutandis*, to a Distribution by the Company.

Reserves

116. The Board may set aside from the profits of the Company the sums they deem proper, as a reserve fund or reserve funds for extraordinary uses, or for special dividends or other funds or for the purpose of preparing, improving or maintaining any property of the Company, and for such other purposes as shall in the discretion of the Board be beneficial to the Company, and the Board may invest the various sums so set aside in such investments as they deem proper, and from time to time deal in, change, or transfer such investments, in part or in whole, for the benefit of the Company. The Board may also divide any reserve liability fund to special funds as it shall deem proper, transfer moneys from fund to fund and use every fund or any part thereof in the business of the Company, without being required to keep such sums separate from the rest of the Company's property. The Board may, from time to time, also transfer to the next year profits out of such sums which are, in their discretion, beneficial to the Company. The Board may generally create funds as they deem necessary, either those resulting from profits of the Company or from re-evaluation of property, or from premiums paid for shares or from any other source and use them in their discretion as they deem fit so long as the creation, changes or uses of such funds do not exceed any provision of the Law or accepted accounting principles and practices.
117. All premiums received from the issue of shares shall be capital funds, and they shall be treated for every purpose as capital and not as profits distributable as Dividends. The Board may organize a reserve capital liability account and transfer from time to time all such premiums to the reserve capital liability account or use such premiums and moneys to cover depreciation or doubtful loss. All losses from sale of investments or other property of the Company shall be debited to the reserve account, unless the Board decides to cover such losses from other funds of the Company. The Board may use moneys credited to the capital reserve liability account in any manner that these Articles or the Law permit.
-

118. Any amounts transferred and credited to the account of income and expense fund or general reserve liability account or capital liability reserve account, may, until otherwise used in accordance with these Articles, be invested together with such other moneys of the Company in the day to day business of the Company, without having to differentiate between these investments and the investment of other moneys of the Company.

Capitalization of Reserve Funds

119. The Company may from time to time resolve at a General Meeting that any amount, investment or property not required as a source for payment of fixed preferential Dividends and (i) standing credited at that time to any fund or to any reserve liability account of the Company, including also premiums received from issuance of shares, debentures, or debenture stock of the Company, or (ii) being net profits not distributed and remaining in the Company, shall be capitalized, and that such amount shall be distributed as Bonus Shares, in the manner so directed by such resolution. The Board shall use such investment, sum or property, according to such a resolution, for full payment of such shares of the Company's capital not issued to the Shareholders, and to issue such shares and to distribute them as fully paid shares among the Shareholders according to their pro rata right for payment of the value of the shares and their rights in the amount capitalized. The directors may also use such investment, sum or property, or any part thereof, for the full payment of the Company's capital issued and held by such Shareholders, or such investment, sum or property in any other manner permitted by such a resolution. If any difficulty shall arise with respect to such a distribution, the Board may act, and shall have all the powers and authorities, as set forth in Article 113 above, *mutatis mutandis*.

Office

120. The Board shall determine the location of the Office.

Stamp and Signatures

121. The Board shall cause the Company's stamp, of which the Company shall have at least one, to be kept in safekeeping, and it shall be forbidden to use the stamp in violation of any instructions the Board may give in connection with the use thereof.
122. Subject to the provisions of these Articles, the Board may designate any Person or Persons (even if they are not members of the Board) to act and to sign in the name of the Company, and to apply the Company's stamp; the acts and signature of such a person or persons shall bind the Company, insofar as such person or persons have acted and signed within the limits of their authority.
123. The printed or typed name of the Company by any means next to the signatures of the authorized signatories of the Company, as aforesaid, shall be valid as if the stamp of the Company was affixed.

Accounts and Audit

124. The Board shall cause correct accounts to be kept:
- 124.1. of the assets and liabilities of the Company;
 - 124.2. of moneys received or expended by the Company and the matters for which such moneys are expended or received; and
 - 124.3. of all purchases and sales made by the Company. The account books shall be kept in the Office or at such other place as the Board deems fit, and they shall be open for inspection by the directors.
125. The Board shall determine from time to time, in any specific case or type of cases, or generally, whether and to what extent, and at what times and places, and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open for inspection by the Shareholders. No Shareholder other than a director shall have any right to inspect any account book or document of the Company except as conferred by Law or authorized by the Board or by the Company in a General Meeting.
-

126. Accountants-Auditors shall be appointed and their function shall be set out in accordance with the Law.
127. Not less than once a year, the directors shall submit before the Company at a General Meeting a balance sheet and profit and loss statement for the period after the previous statement. The statement shall be prepared in accordance with the relevant provisions of the Companies Law. A report of the auditor shall be attached to the statements, and it shall be accompanied by a report from the Board with respect to the condition of the Company's business, the amount (if any) they propose as a Dividend, and the amount (if any) that they propose to set aside for the fund accounts.

Notices

128. A notice or any other document may be served by the Company upon any Shareholder either personally or by sending it by mail, telegram, facsimile, electronic mail or telex addressed to such Shareholder at his registered address as appearing in the Register. If the address of a Shareholder is outside of Israel, then any notice sent by mail shall be sent by airmail.
129. All notices with respect to any share to which persons are jointly entitled may be given to one of the joint holders, and any notice so given shall be sufficient notice to all the holders of such share.
130. A Shareholder registered in the Register who shall from time to time furnish the Company with an address at which notices may be served, shall be entitled to receive all notices he is entitled to receive according to these Articles at that address. However, except for the aforesaid, no Shareholder whose address is not registered in the Register shall be entitled to receive any notice from the Company.
131. A notice may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a Shareholder by sending it through the mail in a prepaid airmail letter or telegram or telex or facsimile addressed to them by name, at the address, if any, furnished for the purpose by the persons claiming to be so entitled or, until such an address has been so furnished, by giving the notice in any manner in which the same might have been given if the death or bankruptcy have not occurred.
132. Any notice or other document, (i) if delivered personally, shall be deemed to have been served upon delivery, (ii) if sent by mail, shall be deemed to have been served seven (7) Business Days after the delivery thereof to the post office; if sent by airmail, shall be deemed to have been served five (5) Business Days after the delivery thereof to the post office; and (iii) if sent by email or confirmed facsimile, shall be deemed to have been served twenty four (24) hours after the time such email or facsimile was sent. In proving such service, it shall be sufficient to prove that the letter containing the notice was properly addressed and delivered at the post office, or if sent by email or confirmed facsimile, to provide a delivery receipt, as the case may be.

Office Holders' Indemnity, Insurance and Exemption

133. The Company may indemnify its Office Holders to the fullest extent permitted by the Law. Subject to the provisions of the Law including the receipt of all approvals as required therein or under any applicable law, and the provisions of Article 133.7 below, the Company may indemnify an Office Holder with respect to the following liabilities and expenses, provided that such liabilities or expenses were incurred by such Office Holder in such Office Holder's capacity as an Office Holder of the Company:
- 133.1. a monetary liability imposed on him/her in favor of a third party in any judgment, including any settlement confirmed as judgment and an arbitrator's award which has been confirmed by the court;
- 133.2. reasonable litigation expenses, including legal fees, paid for by the Office Holder, in an investigation or proceeding conducted against such Office Holder by an agency authorized to conduct such investigation or proceeding, and which investigation or proceeding (i) concluded without the filing of an indictment against such Office Holder and without there having been a financial obligation imposed against such Office Holder in lieu of a criminal proceeding, or (ii) concluded without the filing of an indictment against such Office Holder but with there having been a financial obligation imposed against such Office Holder in lieu of a criminal proceeding for an offense that does not require proof of criminal intent;
-

- 133.3. reasonable litigation expenses, including legal fees paid for by the Office Holder, or which the Office Holder is obligated to pay under a court order, in a proceeding brought against the Office Holder by the Company, or on its behalf, or by a third party, or in a criminal proceeding in which the Office Holder is found innocent, or in a criminal proceeding in which the Office Holder was convicted of an offense that does not require proof of criminal intent.
- 133.4. Payment to a victim as set forth in Section 52ND(a)(1)(a) in the Israeli Securities Law, 1968 (the “**Securities Law**”); or
- 133.5. Expenses incurred by the Office Holders in connection with any proceeding against him pursuant to Chapter H3, H4, I1 of the Securities Law, including all reasonable expenses.
- 133.6. For purposes of Article 131.2 above:
- 133.6.1. the “*conclusion of a proceeding without the filing of an indictment*” regarding a matter in which a criminal proceeding was initiated, means the closing of a file pursuant to Section 62 of the Criminal Procedure Law [Consolidated Version], 5742-1982 (the “**Criminal Procedure Law**”) or a stay of process by the Attorney General pursuant to Section 231 of the Criminal Procedure Law; and
- 133.6.2. a “*financial obligation imposed in lieu of a criminal proceeding*” means a financial obligation imposed by law as an alternative to a criminal proceeding, including an administrative fine pursuant to the Administrative Offenses Law, 5746-1982, a fine for committing an offense categorized as a finable offense pursuant to the provisions of the Criminal Procedure Law or a penalty.
- 133.7. The Company may undertake to indemnify an Office Holder as aforesaid in Articles 133.1 through 133.5 above: (i) prospectively, provided that, in respect of Article 133.1, the undertaking is limited to categories of events which in the opinion of the Board can be foreseen when the undertaking to indemnify is given, and to an amount set by the Board as reasonable under the circumstances, and (ii) retroactively.
134. Subject to the provisions of any Law, the Company may procure, for the benefit of any of its Office Holders, office holders’ liability insurance with respect to any of the following:
- 134.1. a breach of the duty of care owed to the Company or any other person;
- 134.2. a breach of the fiduciary duty owed to the Company, provided that the Office Holder acted in good faith and had reasonable grounds to assume that the action would not injure the Company; or
- 134.3. a monetary liability imposed on an Office Holder in favor of a third party, in respect of an act performed by the Office Holder by virtue of the Office Holder being an Office Holder of the Company.
135. Subject to the provisions of any Law, the Company may exempt in advance, by a Board resolution, Office Holders from all or part of their responsibilities for damages due to their violation of their duty of care to the Company. Notwithstanding the foregoing, the Company may not exempt Office Holders in advance from their responsibilities for damages due to their violation of their duty of care to the Company with respect to Distributions.
-

136. The provisions of Articles 134, 135 and 136 above are not intended, and shall not be interpreted, to restrict the Company in any manner in respect of the procurement of insurance and/or in respect of indemnification (i) in connection with any person who is not an Office Holder, including, without limitation, any employee, agent, consultant or contractor of the Company who is not an Office Holder, and/or (ii) in connection with any Office Holder to the extent that such insurance and/or indemnification is not specifically prohibited under law; provided that the procurement of any such insurance and/or the provision of any such indemnification shall be approved by the Board.

Winding Up

137. Subject to the provisions of these Articles to the contrary, and subject to any rights or conditions attached at that time to any share in the capital of the Company granting preferential, special or deferred rights or not granting any rights with respect to winding up or liquidation, in the event of a winding up of the Company, the Company's property distributable among the Shareholders shall be distributed in proportion to the sum paid on account of the nominal value of the shares held by them, of any class, without taking into account premiums paid in excess of the nominal value.
138. Subject to provisions of these Articles to the contrary, if the Company is voluntarily wound up, the liquidators may, with the approval of a resolution in a General Meeting, divide the property as is among the Shareholders, or deposit any part of the Company's property with trustees in escrow for the benefit of Shareholders, as they deem proper.
139. Subject to provisions of these Articles to the contrary, if, at the time of liquidation, the Company's property available for distribution among the Shareholders shall not suffice to return all the paid up capital, and subject to, and without derogating from, any rights or surplus rights or existing restrictions at that time of any special class of shares forming part of the capital of the Company, such property shall be divided so that the losses shall as much as possible be borne by the Shareholders in proportion to the paid up capital or that which shall have been paid at the commencement of the liquidation on the shares held by each of them. If, at the time of liquidation, the Company's property designated for distribution among the Shareholders is in excess of the amount necessary for the return of capital paid up at the beginning of the liquidation, it shall belong and be delivered to the Shareholders pro rata to the amount paid on the nominal value of each share held by each of them at the commencement of the liquidation.

Protective Provisions

140. Notwithstanding anything to the contrary in these Articles, until the earlier of (a) the Third Closing (except as specified in Article 140.5) or (b) an IPO or Deemed Liquidation, the consent of at least the Preferred B Majority will be required for any of the following actions (whether taken directly or indirectly, by merger, consolidation or otherwise), other than the actions listed in Articles 140.9, 140.10, 140.11, and 140.16 which will require the consent of the KT Directors:
- 140.1. any M&A Transaction (but not, for the avoidance of any doubt, any transaction pursuant to the exercise of the Call Option);
- 140.2. any sale by the Company of all or substantially all of its assets (including any exclusive license of material intellectual property, except for any such license outside of the United States), any merger of the Company with another entity or any sale of more than 50% of the voting power of the Company (other than any transaction pursuant to the exercise of the Call Option);
- 140.3. any sale, mortgage, pledge of, or placement of a security interest on, any material asset (including material intellectual property rights) of the Company;
- 140.4. any liquidation, dissolution or winding up of the Company (including any Deemed Liquidation or IPO or consenting to any of the foregoing), other than the consummation of the Call Option;
-

- 140.5. any amendment, alteration or repeal of the Articles that adversely affects the rights, preferences or privileges of the Preferred Shares, including to increase or decrease of the share capital of the Company or to change any right attached to any share, or to create any new class or series of shares having rights, preferences or privileges equal or senior to the Preferred Shares (other than the Preferred S Shares); but not including an amendment for the purpose of increasing an existing class or series of shares (provided, however, that following the Third Closing the Preferred B Majority shall still be required pursuant to this Article 140.5 but the creation of any new class or series of shares having rights, preferences or privileges equal or senior to such Preferred Shares shall not be considered adverse thereto);
 - 140.6. creating or authorizing the creation of any security senior to or on parity with the Preferred Shares (including any security convertible into or exercisable for such series) or reclassifying, altering or amending any existing security that is junior to or on parity with the Preferred Shares, if such reclassification, alteration or amendment would render such other security senior to or on parity with the Preferred Shares;
 - 140.7. reserved;
 - 140.8. purchasing, redeeming or paying any dividend on any share capital;
 - 140.9. any increase in the number of shares reserved by the Company for issuance to any employee, officer, director, consultant or advisor of the Company or any of its subsidiaries under the Company's incentive equity based plans or other arrangements approved by the Board and any grant of option or other equity based award in excess of the number of shares reserved for such purposes;
 - 140.10. creating or authorizing the creation of any debt security (including negative pledges) or any borrowings of any assets of the Company or any subsidiary, which are not in the ordinary course of business;
 - 140.11. make any loan or advance to any person, including, any employee or director, except advances and similar expenditures in the ordinary course of business or under the terms of an employee shares or option plan approved by the Board;
 - 140.12. creating or holding share capital in any subsidiary that is not a wholly-owned subsidiary or disposing of any subsidiary shares or all or substantially all of any subsidiary assets;
 - 140.13. any increase or decrease in the authorized size of the Board or otherwise change the composition of the Board;
 - 140.14. any acquisition of, or material interest in, another entity;
 - 140.15. effecting any IPO;
 - 140.16. approving the annual budget, or authorising or incurring any aggregate expenditure in excess of the greater of fifteen percent (15%) above the expenses set forth in the approved budget or 50% of any cash received by the Company in excess of the cash projected to be received by the Company under the budget;
 - 140.17. changing the principal business of the Company, entering new lines of business materially different than the current business, or exiting the current depression line of business; or
 - 140.18. entering into or becoming a party to any transaction with any Founder, director, officer, or shareholder of the Company, member of their immediate family, or any Affiliate of any such person or any other "related or interested party" transaction, including the granting of incentives (including shares or options), except pursuant to a transaction for the equity (including via SAFE or convertible debt) related financing of the Company that is otherwise permitted under these Articles and is offered to all shareholders with preemptive rights.
-

141. Notwithstanding anything to the contrary in these Articles, but subject to Article 144, none of the following actions shall be taken, approved or effected by the Company, its Board or any Shareholder, unless approved in writing in advance by BWAY, or with respect to the actions referenced in Articles 140.9, 140.10, 140.11, and 140.16, at least one BWAY Director:
- 141.1. subject to Article 143 below, the actions referenced in Article 140.1, 140.2 and 140.4 above;
 - 141.2. any of the actions referenced in Article 140.3, 140.8, 140.12-15, and 140.17-18;
 - 141.3. any amendment, alteration or repeal of the Articles that adversely affects the rights, preferences or privileges of the holders of either (i) the Preferred S Shares or (ii) the Special Share, including to increase or decrease of the share capital of the Company or to change any right attached to any share, or to create any new class or series of shares having rights, preferences or privileges equal or senior to either the Preferred S Shares or the Special Share (provided, however, that the foregoing shall not preclude the increase of the number of authorized Preferred S Shares in order to issue any Preferred S Shares as expressly permitted under Article 141.6.1);
 - 141.4. creating or authorizing the creation of any security senior to or on parity with either (i) the Preferred S Shares or (ii) the Special Share (including any security convertible into or exercisable for such series) or reclassifying, altering or amending any existing security that is junior to or on parity with either the Preferred S Shares or the Special Share, if such reclassification, alteration or amendment would render such other security senior to or on parity with either (provided, however, that the foregoing shall not preclude the increase of the number of authorized Preferred S Shares in order to issue any Preferred S Shares as expressly permitted under Article 141.6.1);
 - 141.5. any issuance of any Special Share or Preferred S Share (except as expressly permitted under Article 141.6.1) to any Person other than BWAY.
 - 141.6. any issuance of Additional Securities, except as follows:
 - 141.6.1. Additional Securities consisting of Preferred S Shares, Preferred B-3 or Preferred B-4 Shares, or Shares of any other class that is junior or on par to the Preferred B-3 or Preferred B-4 Shares, issued to existing Shareholders or new investors at a price per share that is equal to or greater than the Conversion Price applicable to the most recently funded Principal Amount under the BWAY Investment Agreement, or if after the Third Closing, the Third Investment PPS; or
 - 141.6.2. Additional Securities consisting of Preferred B-3 or Preferred B-4 Shares or Shares of any other class that is junior to the Preferred B-3 or Preferred B-4 Shares, issued at a price per share that is not more than five percent (5%) below the Conversion Price applicable to the most recently funded Principal Amount under the BWAY Investment Agreement, or if after the Third Closing, the Third Investment PPS; provided that the total aggregate consideration received by the Company from all such issuances, whether in one or multiple transactions, does not exceed US\$2,000,000 (two million USD); and
 - 141.7. Any creation or incurrence of indebtedness by the Company or any subsidiary, except for indebtedness that meets all of the following conditions: (i) the aggregate principal amount outstanding at any time does not exceed US\$2,000,000 (two million USD), (ii) such indebtedness is not convertible into or exchangeable for any securities of the Company and does not provide any rights to acquire securities of the Company (except for an instrument convertible or exchangeable for Additional Securities referenced in Article 141.6.1 above and on the terms set forth therein), and (iii) such indebtedness is subordinate to the outstanding Loan Amount (if any) and unsecured.
-

- 141.8. as long as the Call Option has not expired:
- 141.8.1. any issuance of Additional Securities (**including** Excluded Securities) that is not conditioned upon the recipient becoming a party to the Call Option Agreement in accordance with its terms.
 - 141.8.2. any Transfer by any Grantor or other Shareholder in violation of Section 8.2 of the Call Option Agreement.
 - 141.8.3. Any amendment to, or waiver under, these Articles if such amendment or waiver would reasonably be expected to modify or limit the enforceability or effect of the Call Option Agreement or the rights of BWAY thereunder.
142. The veto rights listed above in Articles 140 and 141 shall apply with respect to any action or resolution listed above in Articles 140 and 141 proposed to be taken or adopted by any subsidiary of the Company.

Call-option Carveout

143. Capitalized terms used but not defined in this Article 143 shall carry the meanings given to them in the Call Option Agreement. If at any time prior to the exercise of the Call Option the Company or the Preferred B Majority receives a bona fide offer (the **“Third-Party Offer”**) from an unaffiliated third party (the **“Third-Party Offeror”**) to acquire all of the issued and outstanding shares or substantially all assets of the Company (an **“Acquisition Transaction”**), the Investor shall not unreasonably withhold, condition, or delay its consent to such Acquisition Transaction, **provided that**:
- 143.1. the Third-Party Offer constitutes an arm’s-length transaction;
 - 143.2. the purchase price payable under the Third-Party Offer (the **“Third-Party Purchase Price”**) is greater than 1.75 times the Company’s Equity Value determined based on the Minimum Call Option Price in effect on the date the Third-Party Offer is received, in accordance with the Call Option Agreement;
 - 143.3. the Company provides the Investor with written notice of the material terms and conditions of the Third-Party Offer, including price, payment terms, and identity of the Third-Party Offeror, promptly after receipt of such offer;
 - 143.4. the Investor is given a period of thirty (30) calendar days from receipt of such written notice (the **“Election Period”**) to exercise the Call Option for an Exercise Price determined based on the Minimum Call Option Price in effect on the date the Third-Party Offer is received, in accordance with the Call Option Agreement; **provided** that if the Third-Party Offer is received during the Non-Exercise Period, then notwithstanding any limitation in the Call Option Agreement regarding the exercise during such period, the Investor shall be entitled to exercise the Call Option and the following shall apply:
 - 143.4.1. if the Third-Party Purchase Price is greater than 1.75x the Company’s Equity Value determined based on the First Minimum Call Option Price, but less than 1.75x the Company’s Equity Value based on the Second Minimum Call Option Price, the Investor shall be entitled to exercise the Call Option for an Exercise Price determined based on the First Minimum Call Option Price; and
-

- 143.4.2. if the Third-Party Purchase Price is greater than 1.75x the Company's Equity Value determined based on the Second Minimum Call Option Price, the Investor shall be entitled to exercise the Call Option for an Exercise Price determined based on the Second Minimum Call Option Price;
- 143.5. the Investor does not exercise the Call Option within the Election Period; and
- 143.6. In the event that the Investor exercises the Call Option pursuant to the foregoing, the Investor undertakes that, for a period of 12 months following the completion of the closing of the Call Option Agreement, it shall not, directly or indirectly, sell, assign, transfer or otherwise dispose of (whether in a single transaction or a series of related transactions) all or substantially all of the shares in the Company or all or substantially all of the assets of the Company to the Third Party Offeror (or any of its Affiliates), or enter into any binding agreement to do so.
For the avoidance of doubt, nothing in this Article 143 shall preclude the Investor: (i) from entering into any broader corporate transaction, merger, consolidation, reorganization, financing, or strategic partnership, provided that such transaction does not constitute a standalone sale of all or substantially all of the shares or assets of the Company to the Third Party Offeror (or any of its affiliates or related parties); or (ii) if pursuant to such transaction the Shareholders would receive proceeds from such sale, as if (together with any proceeds paid to them under the Call Option Agreement) such sale had occurred immediately prior to the Call Option exercise.

Defaulting Investor

144. In the event BWAY is a Defaulting Investor the following provisions shall apply and supersede any other provisions in these Articles to the contrary:
- 144.1. for as long as the Loan Amount (as defined in the BWAY Investment Agreement) is outstanding under the terms of the BWAY Investment Agreement, the Special Share shall not have any rights under these Articles and its consent shall not be required for any matter (including its presence in any quorum), except that;
- 144.1.1. the Company may not incur any indebtedness senior to the Loan Amount, or agree to the placement of any lien on its assets, without the consent of the holder of the Special Share.
- 144.2. if following BWAY becoming a Defaulting Investor, the Loan Amount is converted in accordance with the terms of the BWAY Investment Agreement:
- 144.2.1. the Loan Amount will be converted into the applicable series of Preferred S Shares pursuant to the BWAY Investment Agreement;
- 144.2.2. Article 8.1.1.1 shall be deemed deleted in its entirety and by the following which shall apply in the event of any Liquidation or Deemed Liquidation: **(A)** the Preferred S Shares shall entitle their holders to receive for each Preferred S Share held by them, an amount equal to the higher of: (i) one (1) times the Preferred S-1 Original Issue Price (in cash, cash equivalents or, if applicable, securities) (the "**Preferred S Preference**"), and (ii) the amount per share such holder would have received for such Preferred S Share had all Preferred S Shares been converted into Ordinary Shares immediately prior to such Liquidation (taking into account the aggregate amount of Distributable Proceeds previously paid in preference pursuant to Article 8.1); and **(B)** the Preferred S-1 Preference shall be paid pari passu with the Preferred B-3/B-4 Preference (or, if shares other than Preferred B-4 or B-3 Shares are issued upon conversion of the New CLAs, pari passu with the liquidation preference paid to the holders of such shares).
-

- 144.2.3. the Preferred S Shares shall not be entitled to receive the Preferred S Dividend Preference; and
- 144.2.4. any matter requiring the consent or vote of the Preferred S Majority (including any class vote), or mandatory presence in any quorum, shall no longer be required, except for: any amendment, alteration or repeal of the Articles that adversely affects the rights, preferences or privileges of the holders of the Preferred S Shares or to change any right attached to any Preferred S Share (provided, however, that the creation of any new class or series of shares having rights, preferences or privileges equal or senior to the Preferred S Shares shall not be considered adverse to thereto).
- 144.3. if the Loan Amount is converted prior to BWAY becoming a Defaulting Investor, then upon BWAY becoming a Defaulting Investor, with respect to the portion of the Loan Amount already converted, the provisions of Article 144.2 shall apply mutatis mutandis and the Preferred S-1 Original Issue Price shall be equal to the conversion price applied to such conversion.
- 144.4. BWAY shall no longer have the right to appoint a director, and any BWAY Director then serving maybe removed and replaced by the Preferred B Majority.
- 144.5. BWAY, or the holder of the Special Share or Preferred S Share, shall (i) no longer be entitled to any rights under Articles 12 (Preemptive Rights) if it is a Defaulting Investor with respect to the Second Principal Amount, (ii) Article 40 (Rights of First Refusal), (iii) Article 41 (Co-sale rights) if it is a Defaulting Investor with respect to the Second Principal Amount, and (iv) any restrictions on the transferability of any Shares that are subject to the approval of BWAY, the holder of the Special Share or the Preferred S Majority shall expire.

SECOND AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT

THIS SECOND AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT (the "Agreement") is made as of the 18th day of August 2025, by and among Neurolief Ltd., an Israeli company (the "Company"), BrainsWay Ltd., an Israeli company ("BWAY") and certain holders of Preferred Shares listed on Schedule A hereto (the "Investors") and signatory hereto.

RECITALS

WHEREAS, the Company and certain shareholders of the Company are parties to that certain Amended and Restated Investors' Rights Agreement made as of the 22nd day of October, 2022 (the "Prior Investors' Rights Agreement"); and

WHEREAS, concurrently with the execution and delivery of this Agreement, the Company is entering into that certain Investment Agreement dated of even date herewith (the "Investment Agreement") with BWAY, which provides that as a condition to the Closing under the Investment Agreement, this Agreement must be executed and delivered by the Company, BWAY and the requisite majority of Investors; and

WHEREAS, as of the date hereof, BWAY has not converted the Principal Amount (as defined in the Investment Agreement) into Preferred S Shares, but holds the right to do so pursuant to the Investment Agreement, and the Company and the Investors acknowledge and agree that, regardless of whether such conversion has occurred, BWAY shall be entitled to all rights granted to BWAY personally or Investors or Holders generally under this Agreement from and as of the date hereof, for so long as the Principal Amount remains outstanding, or as long as it holds any securities convertible into or exercisable for Preferred Shares or any Preferred S Shares themselves.

WHEREAS, the requisite parties to the Prior Investors' Rights Agreement wish to amend and restate in its entirety the Prior Investors' Rights Agreement by entering into this Agreement.

NOW, THEREFORE, the parties hereby agree to amend and restate the Prior Investors' Rights Agreement in its entirety as follows:

1. **Definitions**. For purposes of this Agreement:

1.1. "**Affiliate**" means (i) with respect to a natural person, any member of such Person's immediate family (including any child, step child, parent, step parent, in-laws, spouse, sibling, stepson or stepdaughter or the lineal descendants of any of the foregoing); or (ii) with respect to a Person or entity (including a natural person), any Person or entity which directly or indirectly Controls, is Controlled by, or is under common Control with such Person or entity.

1.2. "**Control**" means the holding directly or indirectly of at least 50% of the voting power in a corporation or of the right to appoint at least half of the directors or members of a similar body having a similar function in a corporation.

1.3. **“Damages”** means any loss, damage, or liability (joint or several) to which a party hereto may become subject under the Securities Act, the Exchange Act, or other federal or state law, insofar as such loss, damage, or liability (or any action in respect thereof) arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in any registration statement of the Company, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto; (ii) an omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading; or (iii) any violation or alleged violation by the indemnifying party (or any of its agents or Affiliates) of the Securities Act, the Exchange Act, any state securities law, or any rule or regulation promulgated under the Securities Act, the Exchange Act, or any state securities law.

1.4. **“Exchange Act”** means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

1.5. **“Excluded Registration”** means (i) a registration relating to the sale of securities to employees of the Company or a subsidiary pursuant to a share option, share purchase, or similar plan; (ii) a registration relating to SEC Rule 145 transaction; or (iii) a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Securities.

1.6. **“Form F-1”** means such form under the Securities Act as in effect on the date hereof or any successor registration form under the Securities Act subsequently adopted by the SEC.

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

1.8. **“GAAP”** means generally accepted accounting principles in the United States.

1.9. **“Holder”** means any holder of Registrable Securities who is a party to this Agreement.

1.10. **“Inactive Investor”** shall mean either: (i) BWAY meeting the criteria of a Defaulting Investor, as defined under the Investment Agreement; (ii) BWAY's exercise of its right not to consummate the Second or Third Closing due to the occurrence of a Material Adverse Change (as such terms are defined in the Investment Agreement); or (iii) the Loan Amount (as defined in the Investment Agreement) being repaid in full in accordance with the terms of the Investment Agreement.

1.11. **“Initiating Holders”** means, collectively, Holders who properly initiate a registration request under this Agreement.

1.12. **“IPO”** means the Company's first underwritten public offering of its Ordinary Shares under the Securities Act.

1.13. **“Ordinary Shares”** means Ordinary Shares of the Company, nominal value NIS 0.01 each.

1.14. **“Permitted Transferee”** shall have the meaning set forth in the Company's Articles of Association, as may be amended from time to time (**“Articles”**).

1.15. “Person” means any individual, corporation, partnership, trust, limited liability company, association or other entity.

1.16. “**Preferred Shares**” means, collectively, the Series A Preferred Shares of the Company, nominal value NIS 0.01 each, the Series A-1 Preferred Shares of the Company, nominal value NIS 0.01 each, the Series B Preferred Shares of the Company, nominal value NIS 0.01 each, the Series B-1 Preferred Shares of the Company, nominal value NIS 0.01 each, the Series B-2 Preferred Shares of the Company, nominal value NIS 0.01 each, the Series B-3 Preferred Shares of the Company, nominal value NIS 0.01 each, the Series B-4 Preferred Shares of the Company, nominal value NIS 0.01 each, and the Preferred S Shares.

1.17. “**Preferred S Shares**” means, collectively, the Series S-1 Preferred Shares of the Company, nominal value NIS 0.01 each, the Series S-2 Preferred Shares of the Company, nominal value NIS 0.01 each, and the Series S-3 Preferred Shares of the Company, nominal value NIS 0.01 each.

1.18. “**Registrable Securities**” means (i) the Ordinary Shares issuable or issued upon conversion of the Preferred Shares; (ii) any Ordinary Shares acquired by the Investors after the date hereof; and (iii) any Ordinary Shares issued as (or issuable upon the conversion or exercise of any warrant, right, or other security that is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of, the shares referenced in clause (i) and (ii) above; excluding, however, in all cases, any Registrable Securities sold by a Person in a transaction in which the applicable rights under this Agreement are not assigned pursuant to Section 4.1, and excluding for purposes of Section 2 any shares for which registration rights have terminated pursuant to Section 2.13 of this Agreement.

1.19. “**Registrable Securities then outstanding**” means the number of shares determined by adding the number of outstanding Ordinary Shares that are Registrable Securities and the number of Ordinary Shares issuable (directly or indirectly) pursuant to then exercisable and/or convertible securities that upon exercise of such convertible securities will be Registrable Securities.

1.20. “**SEC**” means the Securities and Exchange Commission.

1.21. “**SEC Rule 144**” means Rule 144 promulgated by the SEC under the Securities Act.

1.22. “**SEC Rule 145**” means Rule 145 promulgated by the SEC under the Securities Act.

1.23. “**Securities Act**” means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

1.24. “**Selling Expenses**” means all underwriting discounts, selling commissions, and share transfer taxes applicable to the sale of Registrable Securities, and fees and disbursements of counsel for any Holder, except for the fees and disbursements of the Selling Holder Counsel borne and paid by the Company as provided in Section 2.6.

2. **Registration Rights**. The Company covenants and agrees as follows:

2.1. **Demand Registration**.

(a) **Form F-1 Demand**. If at any time after one hundred eighty (180) days after the effective date of the registration statement for the IPO (the “**Commencement Date**”), the Company receives a request from Holders of a majority of the Registrable Securities then outstanding, which majority includes BWAY (provided it is not an Inactive Investor), that the Company file a Form F-1 registration statement with an anticipated aggregate offering price of at least \$5 million, then the Company shall (i) within ten (10) days after the date such request is given, give notice thereof (the “**Demand Notice**”) to all Holders other than the Initiating Holders; and (ii) as soon as practicable, following expiration of the twenty (20) day period mentioned below, use commercially reasonable efforts to file a Form F-1 registration statement under the Securities Act covering all Registrable Securities that the Initiating Holders requested to be registered and any additional Registrable Securities requested to be included in such registration by any other Holders, as specified by notice given by each such Holder to the Company within twenty (20) days of the date the Demand Notice is given, and in each case, subject to the limitations of Section 2.1(c) and Section 2.3.

(b) Form F-3 Demand. If at any time when it is eligible to use a Form F-3 registration statement, the Company receives a request from Holders of at least thirty percent (30%) of the Registrable Securities then outstanding, among them BWAY (provided it is not an Inactive Investor), that the Company file a Form F-3 registration statement with respect to outstanding Registrable Securities of such Holders having an anticipated aggregate offering price, net of Selling Expenses, of at least \$3 million, then the Company shall (i) within ten (10) days after the date such request is given, give a Demand Notice to all Holders other than the Initiating Holders; and (ii) as soon as practicable following expiration of the twenty (20) day period mentioned below, file a Form F-3 registration statement under the Securities Act covering all Registrable Securities requested to be included in such registration by any other Holders, as specified by notice given by each such Holder to the Company within twenty (20) days of the date the Demand Notice is given, and in each case, subject to the limitations of Section 2.1(c) and Section 2.3.

(c) Notwithstanding the foregoing obligations, if the Company furnishes to Holders requesting a registration pursuant to this Section 2.1, a certificate signed by the Company's chief executive officer stating that in the good faith judgment of the Company's Board of Directors, it would be materially detrimental to the Company and its shareholders for such registration statement to either become effective or remain effective for as long as such registration statement otherwise would be required to remain effective, because such action would (i) materially interfere with a significant acquisition, corporate reorganization, or other similar transaction involving the Company; (ii) require premature disclosure of material information that the Company has a bona fide business purpose for preserving as confidential; or (iii) render the Company unable to comply with requirements under the Securities Act or Exchange Act, then the Company shall have the right to defer taking action with respect to such filing, and any time periods with respect to filing or effectiveness thereof shall be tolled correspondingly, for a period of not more than one hundred eighty (180) days after the request of the Initiating Holders is given; provided, however, that the Company shall not register any securities for its own account or that of any other shareholder during such one hundred eighty (180) day period other than an Excluded Registration.

(d) The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Section 2.1(a) (i) during the period that is sixty (60) days before the Company's good faith estimate of the date of filing of, and ending on a date that is one hundred eighty (180) days after the effective date of, a Company-initiated registration, provided, that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; (ii) after the Company has effected two (2) registrations pursuant to Section 2.1(a); or (iii) if the Initiating Holders propose to dispose of shares of Registrable Securities that may be immediately registered on Form F-3 pursuant to a request made pursuant to Section 2.1(b). The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Section 2.1(b) (i) during the period that is forty five (45) days before the Company's good faith estimate of the date of filing of, and ending on a date that is one ninety (90) days after the effective date of, a Company-initiated registration, provided, that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; or (ii) if the Company has effected two registrations pursuant to Section 2.1(b) within the twelve (12) month period immediately preceding the date of such request. A registration shall not be counted as "effected" for purposes of this Section 2.1(d) until such time as the applicable registration statement has been declared effective by the SEC, unless the Initiating Holders withdraw their request for such registration, elect not to pay the registration expenses therefor, and forfeit their right to one demand registration statement pursuant to Section 2.6, in which case such withdrawn registration statement shall be counted as "effected" for purposes of this Section 2.1(d).

2.2. Company Registration. If the Company proposes to register (including, for this purpose, a registration effected by the Company for shareholders other than the Holders) any of its securities under the Securities Act in connection with the public offering of such securities solely for cash (other than in an Excluded Registration), the Company shall, at such time, promptly give each Holder notice of such registration. Upon the request of each Holder given within twenty (20) days after such notice is given by the Company, the Company shall, subject to the provisions of Section 2.3, cause to be registered all of the Registrable Securities, that each such Holder has requested to be included in such registration. The Company shall have the right to terminate or withdraw any registration initiated by it under this Section 2.2 before the effective date of such registration, whether or not any Holder has elected to include Registrable Securities in such registration. The expenses (other than Selling Expenses) of such withdrawn registration shall be borne by the Company in accordance with Section 2.6.

2.3. Underwriting Requirements.

(a) If, pursuant to Section 2.1, the Initiating Holders intend to distribute the Registrable Securities covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to Section 2.1, and the Company shall include such information in the Demand Notice. The underwriter(s) will be selected by the Company and shall be reasonably acceptable to a majority in interest of the Initiating Holders, which majority includes BWAY (provided it is not an Inactive Investor). In such event, the right of any Holder to include such Holder's Registrable Securities in such registration shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided herein. All Holders proposing to distribute their securities through such underwriting shall (together with the Company as provided in Section 2.4(e)) enter into an underwriting agreement in customary form with the underwriter(s) selected for such underwriting. Notwithstanding any other provision of this Section 2.3, if the managing underwriter(s) advise(s) the Initiating Holders in writing that marketing factors require a limitation on the number of shares to be underwritten, then the Initiating Holders shall so advise all Holders of Registrable Securities that otherwise would be underwritten pursuant hereto, and the number of Registrable Securities that may be included in the underwriting shall be allocated among such Holders of other Registrable Securities, including the Initiating Holders, in proportion (as nearly as practicable) to the number of Registrable Securities owned by each Holder or in such other proportion as shall mutually be agreed to by all such selling Holders; provided, however, that the number of Registrable Securities held by the Holders to be included in such underwriting shall not be reduced unless all other securities are first entirely excluded from the underwriting.

(b) In connection with any offering involving an underwriting of shares of the Company's share capital pursuant to Section 2.2, the Company shall not be required to include any of the Registrable Securities of any Holder in such underwriting unless such Holder accepts the terms of the underwriting as agreed upon between the Company and its underwriters, and then only in such quantity as the underwriters in their sole discretion determine will not jeopardize the success of the offering by the Company. If the total number of securities, including Registrable Securities, requested by shareholders to be included in such offering exceeds the number of securities to be sold (other than by the Company) that the underwriters in their reasonable discretion determine is compatible with the success of the offering, then the Company shall be required to include in the offering only that number of such securities, including Registrable Securities, which the underwriters and the Company in their sole discretion determine will not jeopardize the success of the offering providing the preference to the Holders of Preferred Shares as outlined in Section 2.3(a). If the managing underwriter advises the Company in writing that marketing factors require a limitation of the number of shares to be underwritten, then subject to such underwriter's limitations the Holders shall be entitled to register Registrable Securities pursuant to the following registration priority: first, the Company shall be entitled to register the Company's Shares; second, the Holders of other Registrable Securities shall be entitled to register such number of Registrable Securities required to be registered by them (pro rata to the respective number of Registrable Securities required by each Holder of Registrable Securities to be included in the registration); and third, to the extent possible, any other securities of the Company. The above notwithstanding, the Holders of Registrable Securities shall be entitled to register such a number of Registrable Securities in any registration pursuant to this Section 2.3 (other than in the IPO) constituting at least 30% (thirty percent) of all the shares registered under such registration (pro rata to the respective number of Registrable Securities required by each Holder of Registrable Securities to be included in the registration). For purposes of the provision in this Section 2.3(b) concerning apportionment, for any selling Holder, such Holder and the Permitted Transferees of such Holder shall be deemed to be a single "selling Holder".

(c) For purposes of Section 2.1, a registration shall not be counted as "effected" if, as a result of an exercise of the underwriter's cutback provisions in Section 2.3(a), the total number of Registrable Securities that Holders have requested to be included in such registration statement that are actually included constitute less than thirty percent (30%) of the total number of shares included in such registration.

2.4. Obligations of the Company. Whenever required under this Section 2 to effect the registration of any Registrable Securities, the Company shall, as expeditiously as reasonably possible:

(a) prepare and file with the SEC a registration statement with respect to such Registrable Securities and use its commercially reasonable efforts to cause such registration statement to become effective and, upon the request of the Holders of a majority of the Registrable Securities registered thereunder, keep such registration statement effective for a period of up to one hundred and eighty (180) days (and in the case of registration on Form F-3, two years) or, if earlier, until the distribution contemplated in the registration statement has been completed; provided, however, that such period shall be extended for a period of time equal to the period the Holder refrains, at the request of an underwriter of Ordinary Shares (or other securities) of the Company, from selling any securities included in such registration;

(b) prepare and file with the SEC such amendments and supplements to such registration statement, and the prospectus used in connection with such registration statement, as may be necessary to comply with the Securities Act in order to enable the disposition of all securities covered by such registration statement;

(c) furnish to the selling Holders such numbers of copies of a prospectus, including a preliminary prospectus, as required by the Securities Act, and such other documents as the Holders may reasonably request in order to facilitate their disposition of their Registrable Securities;

(d) register and qualify the securities covered by such registration statement under such other securities or blue-sky laws of such jurisdictions as shall be reasonably requested by the selling Holders; provided that the Company shall not be required to qualify to do business or to file a general consent to service of process in any such states or jurisdictions, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act;

(e) in the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the underwriter(s) of such offering;

(f) cause all such Registrable Securities covered by such registration statement to be listed on a national securities exchange or trading system and each securities exchange and trading system (if any) on which similar securities issued by the Company are then listed;

(g) provide a transfer agent and registrar for all Registrable Securities registered pursuant to this Agreement and provide a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration;

(h) promptly make available for inspection by the selling Holders, any managing underwriter(s) participating in any disposition pursuant to such registration statement, and any attorney or accountant or other agent retained by any such underwriter or selected by the selling Holders, all financial and other records, pertinent corporate documents, and properties of the Company, and cause the Company's officers, directors, employees, and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant, or agent, in each case, as necessary or advisable to verify the accuracy of the information in such registration statement and to conduct appropriate due diligence in connection therewith;

(i) furnish, at the request of any selling Holder requesting registration of Registrable Securities, on the date that such Registrable Securities are delivered to the underwriters for sale in connection with a registration pursuant to this Agreement, if such securities are being sold through underwriters, or, if such securities are not being sold through underwriters, on the date that the registration statement with respect to such securities becomes effective (i) an opinion, dated such date, of counsel representing the Company for the purposes of such registration, in form and substance as is customarily given to underwriters in an underwritten public offering, addressed to the selling Holders and to the underwriters, if any, and (ii) a letter dated such date, from the independent certified public accountants of the Company, in form and substance as is customarily given by independent certified public accountants to underwriters in an underwritten public offering, addressed to the selling Holders and the underwriters, if any;

(j) notify each selling Holder, promptly after the Company receives notice thereof, of the time when such registration statement has been declared effective or a supplement to any prospectus forming a part of such registration statement has been filed, or the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing; and

(k) after such registration statement becomes effective, notify each selling Holder of any request by the SEC that the Company amend or supplement such registration statement or prospectus.

2.5. Furnish Information. It shall be a condition precedent to the obligations of the Company to take any action pursuant to this Section 2 with respect to the Registrable Securities of any selling Holder that such Holder shall furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such securities as is reasonably required to effect the registration of such Holder's Registrable Securities.

2.6. Expenses of Registration. All expenses (other than Selling Expenses) incurred in connection with registrations, filings, or qualifications pursuant to Section 2, including all registration, filing, and qualification fees; printers' and accounting fees; fees and disbursements of counsel for the Company; and the reasonable fees and disbursements of one counsel for the selling Holders selected by Holders wishing to participate in such registration holding the majority of the Registrable Securities then held by Holders ("Selling Holder Counsel"), shall be borne and paid by the Company; provided, however, that the Company shall not be required to pay for any expenses of any registration proceeding begun pursuant to Section 2.1 if the registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities then held by Holders to be registered (in which case all selling Holders shall bear such expenses pro rata based upon the number of Registrable Securities that were to be included in the withdrawn registration), unless the Holders of a majority of the Registrable Securities then held by Holders agree to forfeit their right to one registration pursuant to Section 2.1(a) or Section 2.1(b), as the case may be; provided further that if, at the time of such withdrawal, the Holders shall have learned of a material adverse change in the condition, business, or prospects of the Company from that known to the Holders at the time of their request and have withdrawn the request with reasonable promptness after learning of such information then the Holders shall not be required to pay any of such expenses and shall not forfeit their right to one registration pursuant to Section 2.1(a) or Section 2.1(b). All Selling Expenses relating to Registrable Securities registered pursuant to this Section 2 shall be borne and paid by the Holders pro rata on the basis of the number of Registrable Securities registered on their behalf.

2.7. Delay of Registration. No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any registration pursuant to this Agreement as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 2.

2.8. Indemnification. If any Registrable Securities are included in a registration statement under this Section 2:

(a) To the extent permitted by law, the Company will indemnify and hold harmless each selling Holder, and the partners, members, officers, directors, and shareholders of each such Holder; legal counsel and accountants for each such Holder; any underwriter (as defined in the Securities Act) for each such Holder; and each Person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or the Exchange Act, against any Damages, and the Company will pay to each such Holder, underwriter, controlling Person, or other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; provided, however, that the indemnity agreement contained in this Section 2.8(a) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Company, which consent shall not be unreasonably withheld, nor shall the Company be liable for any Damages to the extent that they arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of any such Holder, underwriter, controlling Person, or other aforementioned Person expressly for use in connection with such registration.

(b) To the extent permitted by law, each selling Holder, severally and not jointly, will indemnify and hold harmless the Company, and each of its directors, each of its officers who has signed the registration statement, each Person (if any), who controls the Company within the meaning of the Securities Act, legal counsel and accountants for the Company, any underwriter (as defined in the Securities Act), any other Holder selling securities in such registration statement, and any controlling Person of any such underwriter or other Holder, against any Damages, in each case only to the extent that such Damages arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of such selling Holder expressly for use in connection with such registration; and each such selling Holder will pay to the Company and each other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; provided, however, that the indemnity agreement contained in this Section 2.8(b) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Holder, which consent shall not be unreasonably withheld; and provided further that in no event shall the aggregate amounts payable by any Holder by way of indemnity or contribution under Sections 2.8(b) and 2.8(d) exceed the proceeds from the offering received by such Holder (net of any Selling Expenses paid by such Holder), except in the case of fraud or willful misconduct by such Holder.

(c) Promptly after receipt by an indemnified party under this Section 2.8 of notice of the commencement of any action (including any governmental action) for which a party may be entitled to indemnification hereunder, such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Section 2.8, give the indemnifying party notice of the commencement thereof. The indemnifying party shall have the right to participate in such action and, to the extent the indemnifying party so desires, participate jointly with any other indemnifying party to which notice has been given, and to assume the defense thereof with counsel mutually satisfactory to the parties; provided, however, that an indemnified party (together with all other indemnified parties that may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such action. The failure to give notice to the indemnifying party within a reasonable time of the commencement of any such action shall relieve such indemnifying party of any liability to the indemnified party under this Section 2.8, to the extent that such failure materially prejudices the indemnifying party's ability to defend such action. The failure to give notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 2.8.

(d) To provide for just and equitable contribution to joint liability under the Securities Act in any case in which either (i) any party otherwise entitled to indemnification hereunder makes a claim for indemnification pursuant to this Section 2.8 but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case, notwithstanding the fact that this Section 2.8 provides for indemnification in such case, or (ii) contribution under the Securities Act may be required on the part of any party hereto for which indemnification is provided under this Section 2.8, then, and in each such case, such parties will contribute to the aggregate losses, claims, damages, liabilities, or expenses to which they may be subject (after contribution from others) in such proportion as is appropriate to reflect the relative fault of each of the indemnifying party and the indemnified party in connection with the statements, omissions, or other actions that resulted in such loss, claim, damage, liability, or expense, as well as to reflect any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or allegedly untrue statement of a material fact, or the omission or alleged omission of a material fact, relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission; provided, however, that, in any such case, (x) no Holder will be required to contribute any amount in excess of the public offering price of all such Registrable Securities offered and sold by such Holder pursuant to such registration statement, and (y) no Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation; and provided further that in no event shall a Holder's liability pursuant to this Section 2.8(d), when combined with the amounts paid or payable by such Holder pursuant to Section 2.8(b), exceed the proceeds from the offering received by such Holder (net of any Selling Expenses paid by such Holder), except in the case of willful misconduct or fraud by such Holder.

(e) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

(f) Unless otherwise superseded by an underwriting agreement entered into in connection with the underwritten public offering, the obligations of the Company and Holders under this Section 2.8 shall survive the completion of any offering of Registrable Securities in a registration under this Section 2, and otherwise shall survive the termination of this Agreement.

2.9. Reports Under Exchange Act. With a view to making available to the Holders the benefits of SEC Rule 144 and any other rule or regulation of the SEC that may at any time permit a Holder to sell securities of the Company to the public without registration or pursuant to a registration on Form F-3, the Company shall:

(a) make and keep available adequate current public information, as those terms are understood and defined in SEC Rule 144, at all times after the effective date of the registration statement filed by the Company for the IPO;

(b) file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act (at any time after the Company has become subject to such reporting requirements); and

(c) furnish to any Holder, so long as the Holder owns any Registrable Securities, forthwith upon request (i) a written statement by the Company that it has complied with the reporting requirements of SEC Rule 144 (at any time after ninety (90) days after the effective date of the registration statement filed by the Company for the IPO), the Securities Act, and the Exchange Act (at any time after the Company has become subject to such reporting requirements), or that it qualifies as a registrant whose securities may be resold pursuant to Form F-3 (at any time after the Company so qualifies); (ii) a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company; and (iii) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC that permits the selling of any such securities without registration (at any time after the Company has become subject to the reporting requirements under the Exchange Act) or pursuant to Form F-3 (at any time after the Company so qualifies to use such form).

2.10. Limitations on Subsequent Registration Rights. From and after the date of this Agreement, the Company shall not, without the prior written consent of the Holders of a majority of the Registrable Securities then outstanding which are held by Holders, which majority includes BWAY (provided it is not an Inactive Investor), enter into any agreement with any holder or prospective holder of any securities of the Company that would provide to such holder registration rights on a basis equal to or more favorable than the registration rights granted to the Holders herein.

2.11. "Market Stand-off" Agreement. In connection with the IPO, each Holder hereby agrees that it will not, without the prior written consent of the managing underwriter, during the period commencing on the date of the final prospectus relating to the registration by the Company for its own behalf of Ordinary Shares or any other equity securities under the Securities Act on a registration statement in such IPO, and ending on the date specified by the Company and the managing underwriter (such period not to exceed one hundred eighty (180) days), which period may be extended upon the request of the managing underwriter for an additional period of up to seventeen (17) days if the Company issues or proposes to issue an earnings or other public release within seventeen (17) days of the expiration of the 180-day period (i) lend; offer; pledge; sell; contract to sell; sell any option or contract to purchase; purchase any option or contract to sell; grant any option, right, or warrant to purchase; or otherwise transfer or dispose of, directly or indirectly, any Ordinary Shares or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Ordinary Shares (whether such shares or any such securities are then owned by the Holder or are thereafter acquired) or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Ordinary Shares or other securities, in cash, or otherwise. The foregoing provisions of this Section 2.11 shall not apply to the sale of any shares to an underwriter pursuant to an underwriting agreement, and shall be applicable to the Holders only if all officers, directors and shareholders individually owning more than one percent (1%) of the Company's outstanding Ordinary Shares (after giving effect to conversion into Ordinary Shares of all outstanding Preferred Shares) agree to the same restrictions. The underwriters in connection with such registration are intended third-party beneficiaries of this Section 2.11 and shall have the right, power, and authority to enforce the provisions hereof as though they were a party hereto. Each Holder agrees to execute such agreements as may be reasonably requested by the underwriter(s) in connection with such registration that are consistent with this Section 2.11 or that are necessary to give further effect thereto. Any discretionary waiver or termination of the restrictions of any or all of such agreements by the Company or the underwriters shall apply pro rata to all Holders subject to such agreements, based on the number of shares subject to such agreements. In the event that the managing underwriter(s) grant(s) a release of these market standoff requirements for securities greater than \$10,000 in value in the aggregate, all Holders of securities subject to market standoff shall be entitled to participate in such release on a pro rata basis based on the relative number of Registrable Securities then outstanding held by such Holders.

2.12. Transfer of Registration Rights. Subject as further provided in Section 5.1, the registration rights granted under the provisions of this Section 2 may be transferred by a Holder to (i) any partner or retired partner of such Holder which is a partnership, (ii) any member or former member of such Holder which is a limited liability company, (iii) any family member or trust for the benefit of such individual Holder, (iv) a Permitted Transferee (as such term is defined in the Articles) of such Holder; or (v) any transferee who acquires Registrable Securities.

2.13. Registration Outside the U.S. The provisions of Section 2 hereof shall apply also, *mutatis mutandis*, to any registration of shares of the Company in any jurisdiction other than the U.S. and all references to U.S. laws and regulations shall be deemed as made to the applicable relevant laws.

2.14. Termination of Registration Rights. The right of any Holder to request registration or inclusion of Registrable Securities in any registration pursuant to Section 2.1 or Section 2.2 shall terminate upon the earliest to occur of:

- (a) the closing of a Deemed Liquidation Event, as such term is defined in the Company's Articles; and
- (b) the fifth anniversary of the Commencement Date.

3. Information Rights.

3.1. Delivery of Financial Statements. The Company shall deliver to BWAY and to each holder of Preferred Shares who holds at least 2% of the issued and outstanding share capital of the Company on an as converted basis:

- (a) as soon as practicable, but in any event within sixty (60) days after the end of each fiscal year of the Company (or within forty-five (45) days after the end of each fiscal year once BWAY holds twenty percent (20%) or more of the issued and outstanding share capital of the Company on an as converted basis), financial statement for such year, including (i) a consolidated balance sheet as of the end of such year, (ii) statements of income and of cash flows for such year, (iii) a comparison between (x) the actual amounts as of and for such fiscal year and (y) the comparable amounts for the prior year and as included in the Budget (as defined below) for such year, with an explanation of any material differences between such amounts and a schedule as to the sources and applications of funds for such year, and (iv) a statement of shareholders' equity as of the end of such year, setting forth in each case in comparative form the figure for the previous fiscal year, all in reasonable detail, in NIS with United State dollar-convenience translation, prepared in accordance with GAAP, audited by an accounting firm of international standing, and in a form reasonably acceptable to BWAY and KT Squared, LLC ("KT");

(b) as soon as practicable, but in any event within thirty (30) days after the end of each of the first three (3) quarters of each fiscal year of the Company, unaudited financial statements for such quarter, including an unaudited consolidated balance sheet of the Company as at the end of each such period and unaudited consolidated statements of income and cash flow of the Company for the period from the beginning of the current fiscal year to the end of such quarterly period, setting forth in each case in comparative form the figures for the corresponding period of the previous fiscal year, all in reasonable detail, in NIS with United States dollar convenience translation and signed by the chief financial officer (or if none, by the chief executive officer) of the Company, and in a form reasonably acceptable to BWAY and KT (except that such financial statements may (i) be subject to normal year-end audit adjustments and (ii) not contain all notes thereto that may be required in accordance with GAAP);

(c) as soon as available, but in any event within twenty one (21) days of the end of each fiscal quarter of the Company, if any changes have occurred within said quarter, a statement showing the number of shares of each class and series of share capital and securities convertible into or exercisable for share capital outstanding at the end of the period, the Ordinary Shares issuable upon conversion or exercise of any outstanding securities convertible or exercisable for Ordinary Shares and the exchange ratio or exercise price applicable thereto, and the number of options (issued and not yet issued but reserved for issuance, if any), all in sufficient detail as to permit the Investors to calculate their respective percentage equity ownership in the Company on both issued and fully-diluted bases, and certified by the chief financial officer or chief executive officer of the Company as being true, complete, and correct;

(d) such other information as any Investor may from time to time reasonably request that is customary to provide to a shareholder.

3.2. The Company shall deliver to the Board of Directors:

(a) as soon as practicable, but in any event until December 1st of each year, a budget and business plan for the next fiscal year (the “Budget”) prepared in accordance with the guidelines of the Board of Directors;

(b) as soon as available, but in any event within fourteen (14) days of the end of each month, a monthly business report and bank statements in a form agreed by the Board.

If, for any period, the Company has any subsidiary whose accounts are consolidated with those of the Company, then in respect of such period the financial statements delivered pursuant to the foregoing sections shall be the consolidated financial statements of the Company and the subsidiaries.

Notwithstanding anything else in this Section 3 to the contrary, the Company may cease providing the information set forth in this Section 3 during the period starting with the date thirty (30) days before the Company’s good-faith estimate of the date of filing of a registration statement if it reasonably concludes it must do so to comply with the SEC rules applicable to such registration statement and related offering; provided that the Company’s covenants under this Section 3 shall be reinstated at such time as the Company is no longer actively employing its commercially reasonable efforts to cause such registration statement to become effective.

Notwithstanding anything to the contrary herein, the Company shall deliver to BWAY, upon its reasonable written request and with reasonable advance notice, such information as may be reasonably necessary for BWAY to comply with any applicable law, including without limitation, securities laws, stock exchange rules and regulations and/or any request of any stock exchange, the SEC, the Israeli Securities Authority, Ministry of Finance or any other governmental authority. The Company hereby undertakes, upon BWAY's reasonable written request, to use commercially reasonable efforts to assist BWAY to fulfill the aforementioned legal obligations.

3.3. Inspection. The Company shall permit BWAY (provided it is not an Inactive Investor) and each Investor holding at least 5% of the outstanding share capital of the Company on a fully-diluted basis (provided that the Board of Directors has not reasonably determined that such Investor is a competitor of the Company) or its authorized representatives and upon Investor's reasonable notice, to visit and inspect the Company's properties, including its corporate and financial records; examine its books of account and records; and discuss the Company's affairs, finances, and accounts with its officers, during normal business hours of the Company as may be reasonably requested by the Investor; provided, however, that the Company shall not be obligated pursuant to this Section 3.3 to provide access to any information that it reasonably and in good faith considers to be a trade secret or confidential information or the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel.

3.4. Termination of Information Rights. The covenants set forth in Section 3 shall terminate and be of no further force or effect immediately before the consummation of the QIPO, as such term is defined in Articles.

3.5. General Disclosure Covenant. In addition, and not as a limitation on any of the foregoing, the Company covenants that it will provide full disclosure and information regarding all of the Company's material affairs at meetings of the Board and, to the extent required under applicable law, at annual general meetings of the shareholders, and extraordinary general meetings of the shareholders.

3.6. Confidentiality. Each Investor acknowledges that the information received by such Investor from the Company pursuant to Section 3 is confidential, and it will not use such confidential information or reproduce, disclose or disseminate such information to any other person (other than its employees or agents having a need to know the contents of such information, and its attorneys) unless the Company has made such information available to the public generally, except (a) in connection with the exercise of rights under this Agreement, (b) as may be required by law, (c) to its members, limited partners, general partners or management company or to the attorneys thereof in order to protect and monitor their investment in the Company, or in connection with periodic reports or general statements to such persons, (d) to any prospective purchaser of any Registrable Securities from such Investor, if such prospective purchaser is under a written obligation to the Company to keep such information confidential as provided herein, provided that such prospective purchaser is not a competitor of the Company, (e) information that was known to the Investor prior to the disclosure thereof, (f) information that is legally transmitted or disclosed to the Investor by a third party which owes no obligation of confidentiality to the Company, or (g) information that is developed by such Investor or its agents independently of and without reference to any confidential information of the Company.

4. ESOP; Directors and Officers Insurance.

Unless otherwise approved by the Board of Directors, all future employees and consultants of the Company or its Affiliates who purchase, receive options to purchase, or receive awards of shares of the Company's share capital after the date hereof, such options and awards shall vest as follows: vesting of shares over a four (4) year period, with the first twenty-five percent (25%) of such shares vesting following twelve (12) months of continued employment or service, and the remaining shares vesting in equal monthly installments over the following thirty-six (36) months.

The Company shall obtain and continue to maintain in full force and effect, a valid Directors and Officers insurance policy of financially sound and reputable insurers, covering the directors in the Company (including the newly designated directors) in an amount of at least US\$ 2,000,000.

5. Miscellaneous.

5.1. Successors and Assigns. The rights under this Agreement may be assigned (but only with all related obligations) by a Holder to a transferee of Registrable Securities that (i) is a Permitted Transferee (as such term is defined under the Articles) of a Holder (other than a competitor of the Company) or (ii) with respect to registration rights, if the transferee (other than a competitor of the Company) acquires at least 80% of the shares of the original purchaser's Registrable Securities); provided, however, that (x) the Company is, within a reasonable time after such transfer, furnished with written notice of the name and address of such transferee and the Registrable Securities with respect to which such rights are being transferred; and (y) such transferee agrees in a written instrument delivered to the Company to be bound by and subject to the terms and conditions of this Agreement, including the provisions of Section 2.11. The terms and conditions of this Agreement inure to the benefit of and are binding upon the respective successors and permitted assignees of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and permitted assignees any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided herein.

5.2. Governing Law. This Agreement and any controversy arising out of or relating to this Agreement shall be governed by and construed in accordance with the internal laws of the State of Israel, without regard to conflict of law principles that would result in the application of any law other than the law of the State of Israel. Any dispute arising under or in relation to this Agreement shall be resolved exclusively in the competent court located in Tel Aviv, Israel, and each of the parties hereby irrevocably submits to the exclusive jurisdiction of such court.

5.3. Counterparts; Facsimile. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement may also be executed and delivered by facsimile signature and in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

5.4. Titles and Subtitles. The titles and subtitles used in this Agreement are for convenience only and are not to be considered in construing or interpreting this Agreement.

5.5. Notices. All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or: (i) personal delivery to the party to be notified; (ii) when sent, if sent by electronic mail or facsimile during the recipient's normal business hours, and if not sent during normal business hours, then on the recipient's next business day; (iii) five (5) days after having been sent by registered or certified mail, postage prepaid; or (iv) one (1) business day after the business day of deposit with a nationally recognized overnight courier, freight prepaid, specifying next-day delivery, with written verification of receipt. All communications shall be sent to the respective parties at their addresses as documented in the Company's records, or to the principal office of the Company and to the attention of the Chief Executive Officer, in the case of the Company, or to such email address, facsimile number, or address as subsequently modified by written notice given in accordance with this Section 6.5.

5.6. Amendments and Waivers. Any term of this Agreement may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance, and either retroactively or prospectively) only with the written consent of the Company and the holders of at least 60% of the Registrable Securities then outstanding, including KT and BWAY (provided it is not an Inactive Investor); provided that any provision hereof may be waived by any waiving party on such party's own behalf, without the consent of any other party. Notwithstanding the foregoing, this Agreement may not be amended or terminated and the observance of any term hereof may not be waived with respect to any Investor without the written consent of such Investor, unless such amendment, termination, or waiver applies to all Investors in the same fashion. The Company shall give prompt notice of any amendment or termination hereof or waiver hereunder to any party hereto that did not consent in writing to such amendment, termination, or waiver. Any amendment, termination, or waiver effected in accordance with this Section 5.6 shall be binding on all parties hereto, regardless of whether any such party has consented thereto. No waivers of or exceptions to any term, condition, or provision of this Agreement, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such term, condition, or provision. In the event the Loan Amount is repaid in full in accordance with the Investment Agreement, all of BWAY's rights under this Agreement shall immediately cease.

5.7. Severability. In case any one or more of the provisions contained in this Agreement is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, and such invalid, illegal, or unenforceable provision shall be reformed and construed so that it will be valid, legal, and enforceable to the maximum extent permitted by law.

5.8. Aggregation of Shares. All Registrable Securities held or acquired by Permitted Transferees shall be aggregated together for the purpose of determining the availability of any rights under this Agreement and such Permitted Transferees may apportion such rights as among themselves in any manner they deem appropriate.

5.9. Entire Agreement. This Agreement (including any Schedules hereto) constitutes the full and entire understanding and agreement among the parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between the parties is expressly terminated.

5.10. Delays or Omissions. No delay or omission to exercise any right, power, or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power, or remedy of such non-breaching or non-defaulting party, nor shall it be construed to be a waiver of or acquiescence to any such breach or default, or to any similar breach or default thereafter occurring, nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. All remedies, whether under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

5.11. Further Action. Each of the parties shall take such actions, including the execution and delivery of further instruments and voting its shares in the Company, as may be necessary to give full effect to the provisions hereof and to the intent of the parties hereto.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

Company:

NEUROLIEF LTD.

By: _____
Name: _____
Title: _____

[Neurolief Ltd./ Signature Page to Investors' Rights Agreement - Company]

BrainsWay Ltd.

By: _____
Name: _____
Title: _____

KT Squared, LLC

By: _____
Name: _____
Title: _____

Terra Ventures Partners II (Cayman) L.P.

By: _____
Name: _____
Title: _____

Terra Ventures Partners II SCA SICAR

By: _____
Name: _____
Title: _____

Deborah Edelstein Weiss

Sergio Fogel

Mark Hetterley

Drakanea Management Ltd.

By: _____
Name: _____
Title: _____

Keren Keshet - The Rainbow Foundation

By: _____
Name: _____
Title: _____

David Steinhardt

Michael Steinhardt

Izba S.A.

By: _____
Name: _____
Title: _____

Shevet 5G LLC

By: _____
Name: _____
Title: _____

MLS Properties LLC

By: _____
Name: _____
Title: _____

Michael Deouell

Marc Epstein

Eaton Associates

By: _____
Name: _____
Title: _____

Efrat Kantor

Jonathan Bar-Or

Esther Muschel Holding LLC

By: _____
Name: _____
Title: _____

Scott Drees

Anthony Borowicz

Thomas Hook

Avinoam Rosenzweig

James Rosenzweig

Uriel Rosenzweig

Schedule A

Holders of Preferred Shares

KT Squared, LLC

Terra Ventures Partners II (Cayman) L.P.

Terra Ventures Partners II SCA SICAR

Deborah Edelstein Weiss

Efrat Kantor

Jonathan Bar-Or

Thomas Hook

Sergio Fogel

Izba S.A.

David Steinhardt

Michael Steinhardt

Keren Keshet - The Rainbow Foundation

Drakanea Management Ltd.

MLS Properties LLC

Michael Deouell

Marc Epstein

Eaton Associates

Mark Hetterley

Scott Drees

Anthony Borowicz

Shevet 5G LLC

Esther Muschel Holding LLC

Avinoam Rosenzweig

James Rosenzweig

Uriel Rosenzweig