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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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 2019 (Report No. 2)

Commission file number: 001-38610

SAFE-T GROUP LTD.  
(Translation of registrant's name into English)

8 Abba Eban Ave.  
Herzliya, 4672526 Israel  
(Address of principal executive offices)

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

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulations S-T Rule 101(b)(1): \_\_\_\_\_

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulations S-T Rule 101(b)(7): \_\_\_\_\_

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## CONTENTS

Attached hereto and incorporated by reference herein is the (i) Registrant's Notice of Annual and Extraordinary General Meeting of Shareholders to be held on Thursday, September 26, 2019 (the "Meeting"), Proxy Statement and Proxy Card for the Meeting, and (ii) voting instruction form which will be sent to holders of American Depositary Shares by The Bank of New York Mellon.

Only shareholders of record who hold Ordinary Shares, no par value, or American Depositary Shares representing Ordinary Shares, of the Registrant at the close of business on August 26, 2019, will be entitled to notice of and to vote at the Meeting and any postponements or adjournments thereof.

<u>Exhibit No.</u>	<u>Description</u>
99.1	<a href="#">Notice of Meeting, Proxy Statement and Proxy Card for the Extraordinary General Meeting of Shareholders to be held on Thursday, September 26, 2019.</a>
99.1.A	<a href="#">Exhibit A to Proxy Statement - Amended and Restated Articles of Association</a>
99.1.B	<a href="#">Exhibit B to Proxy Statement - Amended Indemnity Letter</a>
99.2	<a href="#">Voting Instruction Form for Holders of American Depositary Shares.</a>

**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.

Safe-T Group Ltd.  
(Registrant)

By: /s/ Hagit Gal  
Name: Hagit Gal  
Title: Corporate Counsel

Date: August 21, 2019

**SAFE-T GROUP LTD.  
NOTICE OF ANNUAL AND EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS**

Notice is hereby given that an Annual and Extraordinary General Meeting of Shareholders (the “**Meeting**”) of Safe-T Group Ltd. (“**Safe-T**” or the “**Company**”) will be held at the Company’s offices, at 8 Abba Eban Blvd., Herzliya, Israel, on September 26, 2019, at 3:30 p.m. Israel time.

The Company is a Dual Company, as such term is defined in the Israeli Companies Regulations (Relief for Public Companies Traded on Stock Markets Outside of Israel), 5760 – 2000.

The agenda of the Meeting:

1. Reappointment of PwC Israel, Certified Public Accountants, as the independent auditor of the Company for the year ending December 31, 2019, and until the next annual general meeting of the shareholders of the Company, and authorization of the Board of Directors of the Company to determine their remuneration.
2. Reappointment of six members of the Board of Directors of the Company.
3. Adoption of the amended and restated articles of association of the Company; or in the event such amended and restated articles of association are not adopted, amendment of the current articles of association of the Company.
4. A reverse share split of the Company’s Ordinary Shares by a ratio of up to 20:1, to be effective at the ratio and on a date to be determined by the Board of Directors.
5. Amendment to the Company’s compensation policy.
6. Amendment of the Company’s customary letter of exemption and indemnity and grant of the amended letter of exemption and indemnity to the Company’s directors and office holders.
7. Presentation of the Company’s financial statements and annual report for the year ended December 31, 2018.

The Board of Directors unanimously recommends that you vote in favor of all the proposals, which are described in the attached proxy statement.

Shareholders of record at the close of business on August 26, 2019 (the “**Record Date**”), are entitled to notice of and to vote at the Meeting, either in person or by appointing a proxy to vote in their stead at the Meeting (as detailed below).

A form of proxy for use at the Meeting is attached to the proxy statement, and a voting instruction form, together with a return envelope, will be sent to holders of American Depositary Shares representing the Company’s Ordinary Shares (“**ADS**”). By appointing “proxies,” shareholders and ADS holders may vote at the Meeting whether or not they attend. If a properly executed proxy in the attached form is received by the Company at least 4 hours prior to the Meeting, all of the ordinary shares, no par value, of the Company (the “**Ordinary Shares**”) represented by the proxy shall be voted as indicated on the form. ADS holders should return their voting instruction form by the date set forth therein. Subject to applicable law and the rules of the Nasdaq Stock Market, in the absence of instructions, the Ordinary Shares represented by properly executed and received proxies will be voted “FOR” all of the proposed resolutions to be presented at the Meeting for which the Board of Directors recommends a “FOR”. Shareholders and ADS holders may revoke their proxies or voting instruction form (as applicable) at any time before the deadline for receipt of proxies or voting instruction form (as applicable) by filing with the Company (in the case of holders of Ordinary Shares) or with the Bank of New York Mellon (in the case of holders of ADSs) a written notice of revocation or duly executed proxy or voting instruction form (as applicable) bearing a later date.

Shareholders registered in the Company’s shareholders register in Israel and shareholders who hold Ordinary Shares through members of the Tel Aviv Stock Exchange may also vote through the attached proxy by completing, dating, signing and mailing the proxy to the Company’s offices no later than September 26, 2019, at 11:30 a.m. Israel time. Shareholders registered in the Company’s shareholders register in Israel and shareholders who hold Ordinary Shares through members of the Tel Aviv Stock Exchange who vote their Ordinary Shares by proxy must also provide the Company with a copy of their identity card, passport or certification of incorporation, as the case may be. Shareholders who hold shares through members of the Tel Aviv Stock Exchange and intend to vote their Ordinary Shares either in person or by proxy must deliver the Company, no later than September 26, 2019, at 11:30 a.m. Israel time, an ownership certificate confirming their ownership of the Company’s Ordinary Shares on the Record Date, which certificate must be approved by a recognized financial institution, as required by the Israeli Companies Regulations (Proof of Ownership of Shares for Voting at General Meeting), 5760 – 2000, as amended. Alternatively, shareholders who hold Ordinary Shares through members of the Tel Aviv Stock Exchange may vote electronically via the electronic voting system of the Israel Securities Authority up to six hours before the time fixed for the Meeting. You should receive instructions about electronic voting from the Tel Aviv Stock Exchange member through which you hold your Ordinary Shares.

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ADS holders should return their proxies by the date set forth on their voting instruction form.

If you are a beneficial owner of shares registered in the name of a member of the Tel Aviv Stock Exchange and you wish to vote, either by appointing a proxy, or in person by attending the Meeting, you must deliver to the Company a proof of ownership in accordance with the Israeli Companies Law and the Israeli Companies Regulations (Proof of Ownership of Shares for Voting at General Meetings), 5760 - 2000. Detailed voting instructions are provided in the proxy statement.

Sincerely,

Chen Katz  
*Chairman of the Board of Directors*

August 21, 2019

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SAFE-T GROUP LTD.  
HERZLIYA, ISRAEL

PROXY STATEMENT

ANNUAL AND EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS  
TO BE HELD ON SEPTEMBER 26, 2019

The enclosed proxy is being solicited by the board of directors (the “**Board of Directors**”) of Safe-T Group Ltd. (the “**Company**”) for use at the Company’s annual and extraordinary general meeting of shareholders (the “**Meeting**”) to be held on September 26, 2019, at 3:30 p.m. Israel time, or at any adjournment or postponement thereof. Upon the receipt of a properly executed proxy in the form enclosed, the persons named as proxies therein will vote the ordinary shares, no par value, of the Company (the “**Ordinary Shares**”) covered thereby in accordance with the directions of the shareholders executing the proxy. In the absence of such directions, and except as otherwise mentioned in this proxy statement, the Ordinary Shares represented thereby will be voted in favor of each of the proposals described in this proxy statement.

Two or more shareholders present, personally or by proxy, holding not less than 25% (twenty five percent) of the Company’s outstanding Ordinary Shares, shall constitute a quorum for the Meeting. If within half an hour from the time the Meeting is convened a quorum is not present, the Meeting shall stand adjourned until October 2, 2019, at 3:30 p.m. Israel time. If a quorum is not present at the adjourned meeting, one shareholder present personally or by proxy shall be deemed a quorum, and shall be entitled to deliberate and to resolve in respect of the matters for which the Meeting was convened. Abstentions and broker non-votes are counted as Ordinary Shares present for the purpose of determining a quorum.

Pursuant to the Israeli Companies Law, 5799-1999 (the “**Companies Law**”), each of Proposals No. 1 through 4 and 6 described hereinafter, requires the affirmative vote of shareholders present at the Meeting, in person or by proxy, and holding Ordinary Shares of the Company amounting in the aggregate to at least a majority of the votes actually cast by shareholders with respect to such proposals (a “**Simple Majority**”). The vote for re-appointing each of the directors as set forth in Proposal No. 2 shall be made separately.

Proposal No. 5 is subject to the fulfillment of one of the following additional voting requirements: (i) the majority of the shares that are voted at the Meeting in favor of such Proposal, excluding abstentions, includes a majority of the votes of shareholders who are not controlling shareholders and do not have a personal interest in the Proposal; or (ii) the total number of shares of the shareholders mentioned in clause (i) above that are voted against such Proposal does not exceed two percent (2%) of the total voting rights in the Company (the “**Special Majority**”).

For this purpose, a “controlling shareholder” is any shareholder that has the ability to direct the Company’s activities (other than by means of being a director or office holder of the Company). A person is presumed to be a controlling shareholder if he or she holds or controls, by himself or together with others, one half or more of any one of the “means of control” of a company. “Means of control” is defined as any one of the following: (i) the right to vote at a general meeting of a company, or (ii) the right to appoint directors of a company or its chief executive officer. A “personal interest” of a shareholder in an action or transaction of a company includes a personal interest of any of the shareholder’s relatives (i.e. spouse, brother or sister, parent, grandparent, child as well as child, brother, sister or parent of such shareholder’s spouse or the spouse of any of the above) or an interest of a company with respect to which the shareholder or the shareholder’s relative (as defined above) holds 5% or more of such company’s issued shares or voting rights, in which any such person has the right to appoint a director or the chief executive officer or in which any such person serves as director or the chief executive officer, including the personal interest of a person voting pursuant to a proxy which the proxy grantor has a personal interest, whether or not the person voting pursuant to such proxy has discretion with regards to the vote; and excludes an interest arising solely from the ownership of shares of a company. In connection with Proposal No. 5, the Companies Law allows the board of directors of a company to approve such proposal even if the general meeting of shareholders has voted against its approval, provided that the company’s compensation committee, and thereafter its board of directors, each determines to approve it, based on detailed arguments, and after having reconsidered the matter.

Item 7 will not involve a vote by the shareholders, and accordingly there is no proposed resolution.

Shareholders or ADS holders wishing to express their position on an agenda item for this Meeting may do so by submitting a written statement (a “**Position Statement**”) to the Company’s offices, c/o Mr. Shai Avnit, at 8 Abba Eban Blvd., Herzliya, Israel. Any Position Statement received will be furnished to the U.S. Securities and Exchange Commission (the “**SEC**”) on Form 6-K, and will be made available to the public on the SEC’s website at [www.sec.gov](http://www.sec.gov) and in addition at [www.magna.isa.gov.il](http://www.magna.isa.gov.il) or [https://maya.tase.co.il/](http://https://maya.tase.co.il/). Position Statements should be submitted to the Company no later than September 16, 2019. A shareholder is entitled to contact the Company directly and receive the text of the proxy card and any Position Statement.

## PROPOSAL 1

### TO RE-APPOINT PWC ISRAEL, CERTIFIED PUBLIC ACCOUNTANTS, AS THE INDEPENDENT AUDITOR OF THE COMPANY

Under the Companies Law, the appointment of independent auditor requires the approval of the shareholders of the Company.

The Board of Directors has authorized and approved the re-appointment of the accounting firm of PwC Israel, Certified Public Accountants ("PwC Israel"), as the independent auditor of the Company for the year ending December 31, 2019, and until the next annual general meeting of the shareholders of the Company.

The Board of Directors believes that the re-appointment of PwC Israel as the independent auditor of the Company is appropriate and in the best interest of the Company and its shareholders.

For additional information on the fees paid by the Company and its subsidiaries to PwC Israel in each of the previous two fiscal years, please see Item 16C. 'Principal Accountant Fees and Services' in the Company's annual report on Form 20-F for the year ended December 31, 2018.

The shareholders of the Company are requested to adopt the following resolution:

**"RESOLVED, to re-appoint PwC Israel as the independent auditor of the Company for the year ending December 31, 2019, and until the next annual general meeting of the Company's shareholders, and to authorize the Board of Directors of the Company to determine their remuneration."**

The approval of this proposal, as described above, requires the affirmative vote of a Simple Majority.

**The Board of Directors unanimously recommends that the shareholders vote FOR the above proposal.**

## PROPOSAL 2

### TO RE-APPOINT SIX MEMBERS OF THE BOARD OF DIRECTORS OF THE COMPANY

Our Board of Directors is currently comprised of eight directors – Chen Katz (Chairman), Amir Mizhar (also serves as President and Chief Software Architect), Shachar Daniel (also serves as the Company's Chief Executive Officer), Yehuda Halfon (external director), Moshe Tal (external director), Noa Matzliach, Eylon Geda and Lior Vider (independent director, as classified under the Companies Law). Each of Messrs. Halfon, Tal and Vider qualify as an independent director under the Nasdaq Stock Market rules.

On May 23, 2019, Messrs. Halfon and Tal were appointed by the general meeting to serve as external directors of the Company for a three-year term (second term for Mr. Halfon and first term for Mr. Tal).

It is proposed to re-appoint Messrs. Katz, Mizhar, Daniel, Geda, Vider and Ms. Matzliach as members of the Board of Directors of the Company to hold office until the close of the next annual general meeting, unless their office becomes vacant earlier in accordance with the provisions of the Companies Law and the Company's articles of association or unless otherwise provided in the Company's articles of association. Each director nominee has certified to us that he or she complies with all requirements under the Companies Law for serving as a director.

In their capacity as members of the Company's Board of Directors, the re-appointed directors, other than Messrs. Katz, Daniel and Mizhar, shall be entitled to following fees: (i) an annual fee of NIS 30,000 and (ii) an attendance fee of NIS 1,500 per meeting, which amounts are less than the maximum amounts set forth in the second and third appendices of the Companies Regulations (Rules concerning Compensation and Expenses of an External Director), 5760-2000. Messrs. Katz's and Mizhar's compensation was approved by the Company's shareholders on May 23, 2019. Mr. Daniel's compensation was approved by the Company's shareholders on May 8, 2016.

In addition, in their capacity as members of the Company's Board of Directors, the re-appointed directors shall continue to be entitled to the same insurance, indemnification and exculpation arrangements, as are currently in effect for the Company's officers and directors (and if Proposals No. 4-6 below are approved, shall be granted amended indemnification letters); all of which are in accordance with the Current Articles as well as the Amended Articles (each as defined herein) and the Company's compensation policy.

On August 13, 2019, the Company's Board of Directors determined that (a) each of Messrs. Halfon, Tal and Vider qualifies as an independent director under the Nasdaq Stock Market rules; and (b) each of Mr. Daniel, Mr. Geda, Mr. Vider and Ms. Matzliach possesses "financial and accounting expertise" under the Companies Law and regulations promulgated thereunder. On August 13, 2019, the Company's Audit Committee has determined that Mr. Vider continues to qualify as an independent director under the Companies Law. A brief biography of each nominee is set forth below

*Mr. Chen Katz* has served as our Chairman of the Board of Directors since January 2019. Since 2006, Mr. Katz has been the chief executive officer of TechnoPlus Ventures Ltd. (TASE: TNPV), an Israeli investment firm. Mr. Katz currently sits on the board of Nanomed Technologies Ltd. and Nicast Ltd., where he serves as the chairman, Aminach Furniture and Mattresses Industry Ltd., CompuLap Ltd., and RapiDx Ltd. From 2010 to 2018, Mr. Katz served on the board of directors of D-Led Illumination Technologies Ltd. Mr. Katz is a member of the Israel Bar Association. Mr. Katz holds a European Master-in-Law and Economics (EMLE) from the Complutense University of Madrid and an LL.B. from the University of Haifa.

*Mr. Shachar Daniel* is one of our co-founders and has served as our Chief Executive Officer and director since June 2016. Mr. Daniel has also served as the Chief Executive Officer of our subsidiary, Safe-T Data A.R Ltd. (the "**Subsidiary**") since May 2015 and as a director of our other wholly owned subsidiary, NetNut Ltd. since June 2019. Prior to serving as the Chief Executive Officer of our Subsidiary, he served as the Subsidiary's Chief Operating Officer from November 2013. Mr. Daniel has more than 10 years of experience in various managerial roles in operations and project management. From 2012 to 2013, he served as head of program at PrimeSense Ltd., which was acquired by Apple Inc. for \$360 million in November 2013. Prior to that, and from 2009 to 2012, he was head of operations project managers at Logic Industries Ltd., and from 2004 to 2009, he was a project manager at Elbit Systems Ltd. (Nasdaq/TASE: ESLT). Mr. Daniel holds a B.Sc. in Industrial Engineering from the Holon Institute of Technology, Israel and an M.B.A. from the College of Management Academic Studies, Israel and an executive post M.B.A. from the Hebrew University.

*Mr. Amir Mizhar* is one of our co-founders and has served as our Chief Software Architect since February 2013, on our Board of Directors since June 2016 and as our President since January 2019. Mr. Mizhar served as our Chairman of the Board of Directors from June 2016 to January 2019 and as the chairman of the board of directors of our Subsidiary since January 2013, and of Safe-T USA Inc. since March 2015. From February 2013 until May 2015, Mr. Mizhar also served as the Chief Executive Officer of our Subsidiary. In 2006, Mr. Mizhar founded eTouchware 2005 Inc., and served as its chief software architect until 2013. Mr. Mizhar also founded M-Technologies in 2000 and served as its chief executive officer from 2000 to 2006, where he led the vision and creation of online collaboration tools, and online merchandising systems for retail markets. Mr. Mizhar began developing commercial software programs at the age of 13 and is an expert ethical hacker. Mr. Mizhar holds multiple patents in the area of data transfer over communication networks. Mr. Mizhar leads our vision, research and development operations.

*Mr. Eylon Geda* has served on our Board of Directors since June 2016. Mr. Geda is the founder of Beta Capital Management, a Tel Aviv based consultancy catering to the financial needs of high net worth clients. Prior to founding Beta Capital Management in 2008, Mr. Geda held various positions as a Financial Analyst and Head of Security Research at Israel's leading pension plan and asset management firms, including Ilanot Batucha Investment House from 1996 to 2001, Clal Finance Batucha Investment Management from 2001 to 2004 and Harel Insurance from 2004 to 2008. Mr. Geda holds a M.Sc. (cum laude) in Finance and Accounting and a B.A. (cum laude) in Economics and Management Studies from Tel Aviv University.

*Mr. Lior Vider* has served on our Board of Directors since March 2016. Mr. Vider has over 15 years of experience in managing financial portfolios and investments. Since 2010, Mr. Vider has served as a senior investment portfolio manager at Epsilon Investment House Ltd. From 2007 to 2010, Mr. Vider served as the Chief Investment Manager at Impact Investment Management Ltd., a Union Bank company. From 2006 to 2007, Mr. Vider served as chairman of the board and member of the investment committee for Rakia Capital Markets, and from 2003 to 2006 as manager of financial desk and trader in trust funds for Ilanot Discount. Mr. Vider is also the founder of sponser.co.il, a financial portal specializing in services for investors. Mr. Vider has served as an external director of EndyMed Medical Ltd. (TASE: ENDY) since 2016 and as an independent director of both Apollo Power Ltd. (TASE: APLP) and Chiron Refineries Ltd. (TASE: CHR) since 2017 and 2019, respectively. He is also an occasional contributor to various Israeli publications on topics regarding capital markets and other economic issues. Mr. Vider holds a B.A. (cum laude) in Industrial Engineering and Management from the Shenkar College in Israel and is also a certified Investment Portfolio Manager by the Israeli Securities Authority.

*Ms. Noa Matzliach* has served on our Board of Directors since March 2019. Since August 2018, Ms. Matzliach has served as Director of Finance at Nextage Ltd., a leading financial services firm specializing in the high-tech business, providing financial services to several high-tech and start-up companies. From 2011 to 2018, Ms. Matzliach served as Controller and Chief Financial Officer at TechnoPlus Ventures Ltd., an Israeli investment company publicly traded on the Tel Aviv Stock Exchange (TNVP). From 2010 to 2011, Ms. Matzliach served as a Controller at Automotive Equipment and Vehicles (2004) Ltd. From 2005 to 2010, Ms. Matzliach served as a Manager in the Assurance Services Department at Ernst & Young Israel (Kost Forer Gabbay and Kasierer). Ms. Matzliach holds a B.A. in Accounting, Economics and Management and an M.B.A. with a major in Financial Management, both from Tel Aviv University. Ms. Matzliach is a certified public accountant and is a member of the Institute of Certified Public Accountants in Israel.

The shareholders of the Company will be requested to adopt the following resolutions at the Meeting:

1. **“RESOLVED, to re-appoint Mr. Chen Katz as a member of the Company’s Board of Directors, until the next annual general meeting of the Company’s shareholders, or, if Proposal No. 3 is approved, until his term expires in accordance with his class.”**
2. **“RESOLVED, to re-appoint Mr. Amir Mizhar as a member of the Company’s Board of Directors, until the next annual general meeting of the Company’s shareholders, or, if Proposal No. 3 is approved, until his term expires in accordance with his class.”**
3. **“RESOLVED, to re-appoint Mr. Shachar Daniel as a member of the Company’s Board of Directors, until the next annual general meeting of the Company’s shareholders, or, if Proposal No. 3 is approved, until his term expires in accordance with his class.”**
4. **“RESOLVED, to re-appoint Mr. Eylon Geda as a member of the Company’s Board of Directors, until the next annual general meeting of the Company’s shareholders, or, if Proposal No. 3 is approved, until his term expires in accordance with his class.”**
5. **“RESOLVED, to re-appoint Mr. Lior Vider as member of the Company’s Board of Directors, until the next annual general meeting of the Company’s shareholders, or, if Proposal No. 3 is approved, until his term expires in accordance with his class.”**
6. **“RESOLVED, to re-appoint Ms. Noa Matzliach as member of the Company’s Board of Directors, until the next annual general meeting of the Company’s shareholders, or, if Proposal No. 3 is approved, until her term expires in accordance with her class.”**

The approval of these proposals, as described above, requires the affirmative vote of a Simple Majority.

**The Board of Directors unanimously recommends that the shareholders vote FOR the above proposals.**

### PROPOSAL 3

#### TO ADOPT AN AMENDED AND RESTATED ARTICLES OF ASSOCIATION

Our current Articles of Association (in Hebrew) were approved by our shareholders on May 8, 2016 (the “**Current Articles**”). On May 23, 2019, the Company’s shareholders approved the increase of the Company’s registered share capital and the amendment of the Current Articles to reflect such increase.

On August 13, 2019, our Board of Directors approved, and recommended to our shareholders to approve, to replace the Current Articles with an amended and restated articles of association, in the form attached hereto as **Exhibit A** (the “**Amended Articles**”).

The main changes in the Amended Articles in comparison to the Current Articles are as follows:

##### Quorum

According to the Amended Articles, two or more shareholders, present in person or by proxy and holding shares conferring in the aggregate at least 15% (instead of 25% in the Current Articles) of the voting power of the Company, shall constitute a quorum of general meetings of our shareholders.

Our Board of Directors believes that given the Company’s ownership structure and the participation rates in recent shareholders meetings, the proposed decrease of the required quorum of general meetings is necessary and reasonable.

##### Staggered Board of Directors

The Amended Articles provide for a split of the Board of Directors into three classes with staggered three-year terms. At each annual general meeting of our shareholders, the election or re-election of directors (other than external directors) following the expiration of the term of office of the directors of that class of directors will be for a term of office that expires on the third annual general meeting following such election or re-election, such that from the annual general meeting of 2020 and thereafter, each year the term of office of only one class of directors will expire. Our Board of Directors believes that given the current status of the Company and its current cash position, it is important to ensure that the Board of Directors has the tools to promote the interests of the Company and its shareholders in the long-term. Furthermore, the implementation of the staggered board could delay the ability of shareholders to change the membership of a majority of our board of directors.

If approved at the Meeting, our directors (other than external directors), if elected and re-elected, as applicable, will be divided among the three classes as follows:

Mr. Eylon Geda and Mr. Lior Vider, if re-appointed as set forth in Proposal No. 2 herein, will be each classified as a Class I director and their respective terms will expire at our annual general meeting of shareholders to be held in 2020;

Mr. Shachar Daniel and Mrs. Noa Matzliach, if re-appointed as set forth in Proposal No. 2 herein, will be each classified as a Class II director and their respective terms will expire at our annual general meeting of shareholders to be held in 2021; and

Mr. Chen Katz and Mr. Amir Mizhar, if re-appointed as set forth in Proposal No. 2 herein, will be each classified as a Class III director and their respective terms will expire at our annual general meeting of shareholders to be held in 2022.

Further, according to the Amended Articles, amending the provisions included therein and related to the staggered Board of Directors mechanism will require an affirmative vote of 65% of the voting power represented at a general meeting and voting thereon, provided that such majority constitutes more than 50% of the Company’s then issued and outstanding share capital.

In the event the aforesaid proposal is not adopted at the Meeting, the members of the Board of Directors as set forth herein will hold office until the close of the next annual general meeting of the Company.

##### Composition of the Board of Directors

According to the Amended Articles, our Board of Directors shall be comprised of not less than three (3) and not more than twelve (12) directors, including external directors. Amending this provision will require an affirmative vote of 65% of the voting power represented at a general meeting and voting thereon, provided that such majority constitutes more than 50% of the Company’s then issued and outstanding share capital.

#### Limitation on Indemnification of Office Holders

The Amended Articles provide that the maximum amount of indemnification payable by the Company to each office holder and to all office holders together, individually or in aggregate, shall not exceed the greater of 25% of the Company's shareholders equity as reflected in the Company's most recent audited or reviewed financial statements, as the case may be, as of the date of actual payment of indemnification (the "Company's Equity"), and \$5,000,000.

In addition to the major changes described above, the Amended Articles include other non-material amendments in comparison to the Current Articles, mainly due to the Current Articles being originally in Hebrew.

The shareholders of the Company are requested to adopt the following resolution:

**"RESOLVED, to adopt the Amended Articles, in the form attached as Exhibit A to the Proxy Statement."**

The approval of this proposal, as described above, requires the affirmative vote of a Simple Majority.

**The Board of Directors unanimously recommends that the shareholders vote FOR the above proposal.**

#### **PROPOSAL 3A**

In the event Proposal No. 3 for adoption of the Amended Articles is not approved, the shareholders of the Company are requested to adopt the following resolution to amend our Current Articles only in order to change the limitation on indemnification of office holders as provided above:

**"RESOLVED, in the event Proposal No. 3 for adoption of the Amended Articles is not approved, to amend the Current Articles such that the maximum amount of indemnification payable by the Company to each office holder and to all office holders together, individually or in aggregate, shall not exceed the greater of 25% of the Company's Equity and \$5,000,000, as set forth in Proposal No. 3 of the Proxy Statement."**

The approval of this proposal, as described above, requires the affirmative vote of a Simple Majority.

**The Board of Directors unanimously recommends that the shareholders vote FOR the above proposal.**

#### **PROPOSAL 4**

##### **TO APPROVE A REVERSE SPLIT OF THE COMPANY'S ORDINARY SHARES**

Due to the decrease in the share price of the Company's Ordinary Shares, the Company's Board of Directors believes that a reverse share split of our Ordinary Shares is advisable in order to make the Company's Ordinary Shares more attractive to a broader range of investors, including professional investors, institutional investors and the general investing public.

Therefore, it is proposed to approve a reverse split of the Company's issued and outstanding Ordinary Shares by a ratio of up to 20:1 (the "Reverse Split"), and amend our Amended Articles to effect such Reverse Split, or, in the event the Proposal No. 3 for adoption of the Amended Articles is not approved, to amend our Current Articles to effect such Reverse Split. If the Reverse Split is approved by our shareholders, then the Board of Directors will have the authority to decide on the ratio of the Reverse Split and the date to implement the Reverse Split, or effect no Reverse Split at all. Following such determination by our Board of Directors, we will issue a press release announcing the effective date of the Reverse Split.

The Reverse Split would be effected simultaneously for all of the Company's Ordinary Shares, and the exchange ratio would be the same for all Ordinary Shares. The Reverse Split would affect all of our shareholders uniformly and would not affect any shareholder's percentage ownership interests in the Company, relative voting rights or other rights. Ordinary Shares issued pursuant to the Reverse Split would remain fully paid and non-assessable.

If the Reverse Split is implemented, the number of authorized as well as the issued and outstanding Ordinary Shares would be reduced in accordance with the Reverse Split ratio. In addition, if the Reverse Split is implemented, the exercise price and the number of Ordinary Shares issuable pursuant to outstanding options and warrants will be adjusted pursuant to the terms of the respective options and warrants in connection with the Reverse Split. Furthermore, upon completion of the Reverse Split, the number of Ordinary Shares issuable pursuant to the Safe-T Group Global Equity Plan shall be appropriately adjusted.

In the event that the Reverse Split results in shareholders having fractional shares, the treatment of such fractional shares shall be coordinated with the Tel Aviv Stock Exchange, in accordance with its rules and instructions, and in accordance with the Company's articles of association.

Upon the implementation of the Reverse Split, we intend to treat shares held by shareholders through a bank, broker, custodian or other nominee in the same manner as registered shareholders whose shares are registered in their names. Banks, brokers, custodians or other nominees will be instructed to affect the Reverse Split for their beneficial holders holding our Ordinary Shares in street name. However, these banks, brokers, custodians or other nominees may have different procedures than registered shareholders for processing the Reverse Split. Shareholders who hold our Ordinary Shares with a bank, broker, custodian or other nominee and who have any queries in this regard are encouraged to contact their banks, brokers, custodians or other nominees.

The Board of Directors has determined that no adjustment will be made to the number of Ordinary Shares underlying each ADS, and each ADS will continue to represent 40 of our Ordinary Shares. However, the Board of Directors may decide to further adjust the Ordinary Shares per ADS ratio in connection with the Reverse Split or otherwise.

THE U.S. AND ISRAELI TAX CONSEQUENCES OF THE REVERSE SPLIT MAY DEPEND UPON THE PARTICULAR CIRCUMSTANCES OF EACH SHAREHOLDER. ACCORDINGLY, EACH SHAREHOLDER IS ADVISED TO CONSULT THE SHAREHOLDER'S TAX ADVISOR WITH RESPECT TO ALL OF THE POTENTIAL TAX CONSEQUENCES TO THE SHAREHOLDER OF THE REVERSE SPLIT.

The shareholders of the Company are requested to adopt the following resolution:

**“RESOLVED, to approve a reverse share split of the Company's Ordinary Shares by a ratio of up to 20:1, to be effective at the ratio and on a date to be determined by the Board of Directors, and to amend our Amended Articles to effect such Reverse Split, or, in the event the Proposal No. 3 for adoption of the Amended Articles is not approved, to amend the Current Articles accordingly, as set forth in the Proposal No. 4 of the Proxy Statement.”**

The approval of this proposal, as described above, requires the affirmative vote of a Simple Majority.

**The Board of Directors unanimously recommends that the shareholders vote FOR the above proposal.**

**PROPOSAL 5**

**TO AMEND THE COMPANY'S COMPENSATION POLICY**

As required by the Companies Law, we maintain a compensation policy which provides a framework for terms of office and employment of our executive officers and directors, including an undertaking to indemnify or indemnification. Our current compensation policy became effective on August 8, 2017, following its approval by our shareholders (the "**Compensation Policy**").

Pursuant to the Companies Law, the Compensation Policy must be reviewed from time to time by our compensation committee and Board of Directors, to ensure its alignment with the Company's compensation philosophy and to consider its appropriateness for the Company. Our Compensation Policy currently caps the indemnity amounts payable to our office holders to 25% of the Company's Equity. Considering the continuous decrease in the Company's Equity and the Company's need to provide its office holders with a reasonable indemnity coverage, our compensation committee and the Board of Directors propose to amend the Compensation Policy such that the maximum amount of indemnification payable by the Company to each office holder and to all office holders together, individually or in aggregate, shall not exceed the greater of 25% of the Company's Equity and \$5,000,000.

The shareholders of the Company are requested to adopt the following resolution:

**"RESOLVED, to amend the Company's Compensation Policy, as detailed in Proposal No. 5 of the Proxy Statement."**

The approval of this proposal, as described above, requires the affirmative vote of a Special Majority.

**The Board of Directors unanimously recommends that the shareholders vote FOR the above proposal.**

## PROPOSAL 6

### TO AMEND AND RESTATE THE COMPANY'S CUSTOMARY LETTER OF EXEMPTION AND INDEMNITY AND TO GRANT THE AMENDED LETTER OF EXEMPTION AND INDEMNITY TO THE COMPANY'S DIRECTORS AND OFFICE HOLDERS

As provided in Proposal No. 5 above, under the Companies Law, the Current Articles and the Compensation Policy, the Company may, under certain limitations, undertake to indemnify an office holder of the Company with respect to the liabilities and expenses imposed on or incurred by such office holder due to an act performed or omitted by him or her in the capacity as an office holder of the Company.

Accordingly, on May 8, 2016, the Company's shareholders approved, inter alia, a form of a customary letter of exemption and indemnity (the "Current Indemnity Letter") and the granting of the Current Indemnity Letter to the Company's directors and other office holders who will serve with the Company from time to time.

The Current Indemnity Letter includes limitations on indemnity of directors and other office holders, as described in Proposal No. 5 above.

On August 13, 2019, the Company's Board of Directors approved and recommended that the Company's shareholders approve an amendment to the Current Indemnity Letter such that the maximum amount of indemnification payable by the Company to each office holder and to all office holders together, individually or in aggregate, shall not exceed the greater of 25% of the Company's Equity and \$5,000,000 (the "Amended Indemnity Letter"), and to grant the Amended Indemnity Letter to the Company's directors and other office holders currently in office, as well as those who will serve with the Company from time to time.

A copy of the Amended Indemnity Letter is attached hereto as Exhibit B.

The shareholders of the Company are requested to adopt the following resolution:

**"RESOLVED, subject to approval of the Proposals No. 3 or 3a and 5 above, to approve the Amended Indemnity Letter, in the form attached as Exhibit B to the Proxy Statement, and to grant the Amended Indemnity Letter to the Company's directors and office holders currently in the office, as well as those who will serve with the Company from time to time."**

The approval of this proposal, as described above, requires the affirmative vote of a Simple Majority.

**The Board of Directors unanimously recommends that the shareholders vote FOR the above proposal.**

## ITEM 7

### PRESENTATION OF THE COMPANY'S FINANCIAL STATEMENTS AND ANNUAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2018

Pursuant to the Companies Law, the Company is required to present the Company's financial statements and annual report for the year ended December 31, 2018, to the Company's shareholders. Our financial statements and annual report for the year ended December 31, 2018, filed on Form 20-F with the SEC on March 26, 2019, are available on the SEC's website at the following address:

[https://www.sec.gov/Archives/edgar/data/1725332/000121390019004821/f20f2018\\_safetgroup.htm](https://www.sec.gov/Archives/edgar/data/1725332/000121390019004821/f20f2018_safetgroup.htm)

and on the Israel Securities Authority distribution website at the following address:

<https://www.magna.isa.gov.il/details.aspx?id=018&reference=2019-02-025113?id=018&reference=2019-02-025113>

At the Meeting, shareholders will have an opportunity to review, ask questions and comment on the Company's audited consolidated financial statements and annual report for the year ended December 31, 2018.

This agenda item will not involve a vote by the shareholders, and accordingly there is no proposed resolution.

**Your vote is important!** Shareholders are urged to complete and return their proxies promptly in order to, among other things, ensure action by a quorum and to avoid the expense of additional solicitation. If the accompanying proxy is properly executed and returned in time for voting, and a choice is specified, the shares represented thereby will be voted as indicated thereon. EXCEPT AS MENTIONED OTHERWISE IN THIS PROXY STATEMENT, IF NO SPECIFICATION IS MADE, THE PROXY WILL BE VOTED IN FAVOR OF EACH OF THE PROPOSALS DESCRIBED IN THIS PROXY STATEMENT. Shareholders who hold shares of the Company through members of the Tel Aviv Stock Exchange and who wish to participate in the Meeting, in person or by proxy, are required to deliver proof of ownership to the Company, in accordance with the Israeli Companies Regulations (Proof of Ownership of a Share For Purposes of Voting at General Meetings), 5760-2000. Such shareholders wishing to vote by proxy are requested to attach their proof of ownership to the enclosed proxy.

**Proxies and all other applicable materials should be sent to the Company's office at 8 Abba Eban Blvd., Building A, 1st floor, Herzliya 4672526, Israel.**

#### **ADDITIONAL INFORMATION**

We are subject to the informational requirements of the United States Securities Exchange Act of 1934, as amended (the "Exchange Act"), as applicable to foreign private issuers. Accordingly, we file reports and other information with the SEC.

All documents which we will file on the SEC's EDGAR system will be available for retrieval on the SEC's website at <http://www.sec.gov>. As a Dual Company (as defined in the Israeli Companies Regulations (Concessions for Public Companies Traded on Stock Markets Outside of Israel), 5760- 2000) we also file reports with the Israel Securities Authority. Such reports can be viewed on the Israel Securities Authority distribution website at <http://www.magna.isa.gov.il> and the Tel Aviv Stock Exchange website at <http://www.maya.tase.co.il>.

As a foreign private issuer, we are exempt from the rules under the Exchange Act prescribing certain disclosure and procedural requirements for proxy solicitations. In addition, we are not required under the Exchange Act to file periodic reports and financial statements with the SEC as frequently or as promptly as United States companies whose securities are registered under the Exchange Act. The Notice of the Annual and Extraordinary General Meeting of Shareholders and the proxy statement have been prepared in accordance with applicable disclosure requirements in the State of Israel.

YOU SHOULD RELY ONLY ON THE INFORMATION CONTAINED IN THIS PROXY STATEMENT OR THE INFORMATION FURNISHED TO YOU IN CONNECTION WITH THIS PROXY STATEMENT WHEN VOTING ON THE MATTERS SUBMITTED TO SHAREHOLDER APPROVAL HEREUNDER. WE HAVE NOT AUTHORIZED ANYONE TO PROVIDE YOU WITH INFORMATION THAT IS DIFFERENT FROM WHAT IS CONTAINED IN THIS DOCUMENT. THIS PROXY STATEMENT IS DATED AUGUST 21, 2019. YOU SHOULD NOT ASSUME THAT THE INFORMATION CONTAINED IN THIS DOCUMENT IS ACCURATE AS OF ANY DATE OTHER THAN AUGUST 21, 2019, AND THE MAILING OF THIS DOCUMENT TO SHAREHOLDERS SHOULD NOT CREATE ANY IMPLICATION TO THE CONTRARY.

By Order of the Board of Directors  
Safe-T Group Ltd.  
Chen Katz, Chairman of the Board of Directors

**SAFE-T GROUP LTD.**

**PROXY**

**THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS**

The undersigned hereby appoints, Mr. Shachar Daniel, Chief Executive Officer and Director, Mr. Shai Avnit, Chief Financial Officer, and each of them, agents and proxies of the undersigned, with full power of substitution to each of them, to represent and to vote on behalf of the undersigned all the Ordinary Shares of Safe-T Group Ltd. (the "**Company**") which the undersigned is entitled to vote at the Annual and Extraordinary General Meeting of Shareholders (the "**Meeting**") to be held at the Company's offices at 8 Abba Eban Blvd., Building A, 1st floor, Herzliya 4672526, Israel, on September 26, 2019, at 3:30 p.m. Israel time, and at any adjournments or postponements thereof, upon the following matters, which are more fully described in the Notice of the Meeting and proxy statement relating to the Meeting.

This Proxy, when properly executed, will be voted in the manner directed herein by the undersigned. If no direction is made with respect to any matter, this Proxy will be voted FOR such matter. Any and all proxies heretofore given by the undersigned are hereby revoked.

**(Continued and to be signed on the reverse side)**

**SAFE-T GROUP LTD.**  
**ANNUAL AND EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS**

Date of Meeting: September 26, 2019

PLEASE SIGN, DATE AND RETURN PROMPTLY IN THE ENCLOSED ENVELOPE. PLEASE  
MARK YOUR VOTE IN BLUE OR BLACK INK AS SHOWN HERE ☒

1. To re-appoint PwC Israel, Certified Public Accountants, as the independent auditor of the Company for the year ending December 31, 2019, and until the next annual general meeting of the Company's shareholders, and to authorize the Board of Directors of the Company to determine their remuneration.

**FOR**     **AGAINST**     **ABSTAIN**

2. To adopt the following resolutions:

- 2.1. To re-appoint Mr. Chen Katz as a member of the Company's Board of Directors, until the next annual general meeting of the Company's shareholders, or, if Proposal No. 3 is approved, until his term expires in accordance with his class.

**FOR**     **AGAINST**     **ABSTAIN**

- 2.2. To re-appoint Mr. Amir Mizhar as a member of the Company's Board of Directors, until the next annual general meeting of the Company's shareholders, or, if Proposal No. 3 is approved, until his term expires in accordance with his class.

**FOR**     **AGAINST**     **ABSTAIN**

- 2.3. To re-appoint Mr. Shachar Daniel as a member of the Company's Board of Directors, until the next annual general meeting of the Company's shareholders, or, if Proposal No. 3 is approved, until his term expires in accordance with his class.

**FOR**     **AGAINST**     **ABSTAIN**

- 2.4. To re-appoint Mr. Eylon Geda as a member of the Company's Board of Directors, until the next annual general meeting of the Company's shareholders, or, if Proposal No. 3 is approved, until his term expires in accordance with his class.

**FOR**     **AGAINST**     **ABSTAIN**

- 2.5. To re-appoint Mr. Lior Vider as member of the Company's Board of Directors, until the next annual general meeting of the Company's shareholders, or, if Proposal No. 3 is approved, until his term expires in accordance with his class.

**FOR**     **AGAINST**     **ABSTAIN**

- 2.6. To re-appoint Ms. Noa Matzliach as member of the Company's Board of Directors, until the next annual general meeting of the Company's shareholders, or, if Proposal No. 3 is approved, until her term expires in accordance with her class.

**FOR**     **AGAINST**     **ABSTAIN**

3. To adopt the amended and restated articles of association, in the form attached as Exhibit A to the Proxy Statement.

**FOR**     **AGAINST**     **ABSTAIN**

- 3a. In the event Proposal No. 3 for adoption of the amended and restated articles of association is not approved, to amend the Company's current articles of association such that the maximum amount of indemnification payable by the Company to each office holder and to all office holders together, individually or in aggregate, shall not exceed the greater of 25% of the Company's Equity and \$5,000,000, as set forth in Proposal No. 3a of the Proxy Statement.

**FOR**     **AGAINST**     **ABSTAIN**



**EXHIBIT A  
AMENDED ARTICLES**

THE COMPANIES LAW, 1999  
A LIMITED LIABILITY COMPANY

**ARTICLES OF ASSOCIATION  
OF  
SAFE-T GROUP LTD.**

**PRELIMINARY**

1. **DEFINITIONS; INTERPRETATION.**

(a) In these Articles, the following terms (whether or not capitalized) shall bear the meanings set forth opposite to them respectively, unless inconsistent with the subject or context.

“Articles”	shall mean these Articles of Association, as amended from time to time.
“Board of Directors”	shall mean the Board of Directors of the Company.
“Chairperson”	shall mean the Chairperson of the Board of Directors, or the Chairperson of the General Meeting, as the context provides;
“Company”	shall mean <b>SAFE-T GROUP LTD.</b>
“Companies Law”	shall mean the Israeli Companies Law, 5759-1999 and the regulations promulgated thereunder. The Companies Law shall include reference to the Companies Ordinance (New Version), 5743-1983, of the State of Israel, to the extent in effect according to the provisions thereof.
“Director(s)”	shall mean the member(s) of the Board of Directors holding office at any given time, including alternate directors.
“External Director(s)”	shall mean as defined in the Companies Law.
“General Meeting”	shall mean an Annual General Meeting or Special General Meeting of the Shareholders, as the case may be.
“NIS”	shall mean New Israeli Shekels.
“Office”	shall mean the registered office of the Company at any given time.
“Office Holder” or “Officer”	shall mean as defined in the Companies Law.
“RTP Law”	shall mean the Israeli Restrictive Trade Practices Law, 5758-1988.
“Securities Law”	shall mean the Israeli Securities Law, 5728-1968.
“Shareholder(s)”	shall mean the shareholder(s) of the Company, at any given time.
“in writing” or “writing”	shall mean written, printed, photocopied, photographic, typed, sent via email, facsimile or produced by any visible substitute for writing, or partly one and partly another, and signed shall be construed accordingly.

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(b) Unless otherwise defined in these Articles or required by the context, terms used herein shall have the meaning provided therefor under the Companies Law.

(c) Unless the context shall otherwise require: words in the singular shall also include the plural, and vice versa; any pronoun shall include the corresponding masculine, feminine and neuter forms; the words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation"; the words "herein", "hereof" and "hereunder" and words of similar import refer to these Articles in its entirety and not to any part hereof; all references herein to Articles, Sections or clauses shall be deemed references to Articles, Sections or clauses of these Articles; any references to any agreement or other instrument or law, statute or regulation are to it as amended, supplemented or restated, from time to time (and, in the case of any law, to any successor provisions or re-enactment or modification thereof being in force at the time); any reference to "law" shall include any supranational, national, federal, state, local, or foreign statute or law and all rules and regulations promulgated thereunder (including, any rules, regulations or forms prescribed by any governmental authority or securities exchange commission or authority, if and to the extent applicable); any reference to a "day" or a number of "days" (without any explicit reference otherwise, such as to business days) shall be interpreted as a reference to a calendar day or number of calendar days; reference to month or year means according to the Gregorian calendar; any reference to a "company", "corporate body" or "entity" shall include a, partnership, corporation, limited liability company, association, trust, unincorporated organization, or a government or agency or political subdivision thereof, and reference to a "person" shall mean any of the foregoing or an individual.

(d) The captions in these Articles are for convenience only and shall not be deemed a part hereof or affect the construction or interpretation of any provision hereof.

#### LIMITED LIABILITY

2. The Company is a limited liability company and therefore each shareholder's obligations to the Company shall be limited to the payment of the nominal value of the shares held by such shareholder, subject to the provisions of the Companies Law.

#### PUBLIC COMPANY; COMPANY'S OBJECTIVES

3. PUBLIC COMPANY; OBJECTIVES.

- (a) The Company is a Public Company as such term is defined in and as long as it so qualifies under the Companies Law.
- (b) The Company's objectives are to carry on any business, and do any act, which is not prohibited by law.

4. DONATIONS.

The Company may donate a reasonable amount of money (in cash or in kind, including the Company's securities) for any purpose that the Board of Directors finds appropriate.

#### SHARE CAPITAL

5. AUTHORIZED SHARE CAPITAL.

- (a) The share capital of the Company shall consist of 5,000,000,000 Ordinary Shares, of no nominal value each (the "Shares").
- (b) The Shares shall rank *pari passu* in all respects.

6. **INCREASE OF AUTHORIZED SHARE CAPITAL.**

(a) The Company may, from time to time, by a Shareholders' resolution, whether or not all the shares then authorized have been issued, and whether or not all the shares theretofore issued have been called up for payment, increase its authorized share capital by the creation of new shares. Any such increase shall be in such amount and shall be divided into shares of such nominal amounts, and such shares shall confer such rights and preferences, and shall be subject to such restrictions, as such resolution shall provide.

(b) Except to the extent otherwise provided in such resolution, any new shares included in the authorized share capital increased as aforesaid shall be subject to all the provisions of these Articles which are applicable to shares of such class included in the existing share capital without regard to class (and, if such new shares are of the same class as a class of shares included in the existing share capital, to all of the provisions which are applicable to shares of such class included in the existing share capital).

7. **SPECIAL OR CLASS RIGHTS; MODIFICATION OF RIGHTS.**

(a) If at any time the share capital of the Company is divided into different classes of shares, the rights attached to any class, unless otherwise provided by the Companies Law or these Articles, may be modified or cancelled by the Company by a resolution of the General Meeting of the holders of all shares as one class, without any required separate resolution of any class of shares.

(b) The provisions of these Articles relating to General Meetings shall, *mutatis mutandis*, apply to any separate General Meeting of the holders of the shares of a particular class, it being clarified that the requisite quorum at any such separate General Meeting shall be two or more shareholders present in person or by proxy and holding not less than 15 percent of the issued shares of such class.

(c) Unless otherwise provided by these Articles, an increase in the authorized share capital, the creation of a new class of shares, an increase in the authorized share capital of a class of shares, or the issuance of additional shares thereof out of the authorized and unissued share capital, shall not be deemed, for purposes of this Article 7, to modify or derogate or cancel the rights attached to previously issued shares of such class or of any other class.

8. **CONSOLIDATION, DIVISION, CANCELLATION AND REDUCTION OF SHARE CAPITAL.**

(a) The Company may, from time to time, by or pursuant to an authorization of a Shareholders' resolution, and subject to applicable law:

(i) consolidate all or any part of its issued or unissued authorized share capital into shares of a per share nominal value which is larger, equal to or smaller than the per share nominal value of its existing shares;

(ii) divide or sub-divide its shares (issued or unissued) or any of them, into shares of smaller or the same nominal value (subject, however, to the provisions of the Companies Law), and the resolution whereby any share is divided may determine that, as among the holders of the shares resulting from such subdivision, one or more of the shares may, in contrast to others, have any such preferred or deferred rights or rights of redemption or other special rights, or be subject to any such restrictions, as the Company may attach to unissued or new shares;

(iii) cancel any shares which, at the date of the adoption of such resolution, have not been taken or agreed to be taken by any person, and reduce the amount of its share capital by the amount of the shares so canceled; or

(iv) reduce its share capital in any manner.

(b) With respect to any consolidation of issued shares and with respect to any other action which may result in fractional shares, the Board of Directors may settle any difficulty which may arise with regard thereto, as it deems fit, and, in connection with any such consolidation or other action which could result in fractional shares, may, without limiting its aforesaid power:

(i) determine, as to the holder of shares so consolidated, which issued shares shall be consolidated into a share of a larger, equal or smaller nominal value per share;

(ii) issue, in contemplation of or subsequent to such consolidation or other action, shares sufficient to preclude or remove fractional share holdings;

(iii) redeem such shares or fractional shares sufficient to preclude or remove fractional share holdings;

(iv) round up, round down or round to the nearest whole number, any fractional shares resulting from the consolidation or from any other action which may result in fractional shares; or

(v) cause the transfer of fractional shares by certain shareholders of the Company to other shareholders thereof so as to most expediently preclude or remove any fractional shareholdings, and cause the transferees of such fractional shares to pay the transferors thereof the fair value thereof, and the Board of Directors is hereby authorized to act in connection with such transfer, as agent for the transferors and transferees of any such fractional shares, with full power of substitution, for the purposes of implementing the provisions of this sub-Article 8(b)(v).

9. **ISSUANCE OF SHARE CERTIFICATES, REPLACEMENT OF LOST CERTIFICATES.**

(a) To the extent that the Board of Directors determines that all shares shall be certificated or, if the Board of Directors does not so determine, to the extent that any shareholder requests a share certificate, share certificates shall be issued under the corporate seal of the Company or its written, typed or stamped name and may bear the signature of one Director, the Company's CEO or of any other person or persons authorized therefor by the Board of Directors. Signatures may be affixed in any mechanical or electronic form, as the Board of Directors may prescribe. For the avoidance of doubt, any transfer agent designated by the Company may issue share certificates on behalf of the Company even if the signatories on the share certificate no longer serve in the relevant capacities at the time of such issuance.

(b) Subject to the Article 9(a), each Shareholder shall be entitled to one numbered certificate for all the shares of any class registered in his name. Each certificate may also specify the amount paid up thereon. The Company (as determined by an officer of the Company to be designated by the Chief Executive Officer) shall not refuse a request by a Shareholder to obtain several certificates in place of one certificate, unless such request is, in the opinion of such officer, unreasonable. Where a Shareholder has sold or transferred some of such Shareholder's shares, such Shareholder shall be entitled to receive a certificate in respect of such Shareholder's remaining shares, provided that the previous certificate is delivered to the Company before the issuance of a new certificate.

(c) A share certificate registered in the names of two or more persons shall be delivered to the person first named in the Register of Shareholders in respect of such co-ownership.

(d) A share certificate which has been defaced, lost or destroyed, may be replaced, and the Company shall issue a new certificate to replace such defaced, lost or destroyed certificate upon payment of such fee, and upon the furnishing of such evidence of ownership and such indemnity, as the Board of Directors in its discretion deems fit.

10. **REGISTERED HOLDER.**

Except as otherwise provided in these Articles or the Companies Law, the Company shall be entitled to treat the registered holder of each share as the absolute owner thereof, and accordingly, shall not, except as ordered by a court of competent jurisdiction, or as required by the Companies Law, be obligated to recognize any equitable or other claim to, or interest in, such share on the part of any other person.

11. **ISSUANCE AND REPURCHASE OF SHARES.**

(a) The unissued shares from time to time shall be under the control of the Board of Directors (and to the full extent permitted by law any Committee thereof), which shall have the power to issue or otherwise dispose of shares and of securities convertible or exercisable into or other rights to acquire from the Company to such persons, on such terms and conditions (including inter alia terms relating to calls set forth in Article 13(f) hereof), and either at par or at a premium, or subject to the provisions of the Companies Law, at a discount and/or with payment of commission, and at such times, as the Board of Directors (or the Committee, as the case may be) deems fit, and the power to give to any person the option to acquire from the Company any shares or securities convertible or exercisable into or other rights to acquire from the Company, either at par or at a premium, or, subject as aforesaid, at a discount and/or with payment of commission, during such time and for such consideration as the Board of Directors (or the Committee, as the case may be) deems fit.

(b) The Company may at any time and from time to time, subject to the Companies Law, repurchase or finance the purchase of any shares or other securities issued by the Company, in such manner and under such terms as the Board of Directors shall determine, whether from any one or more shareholders. Such purchase shall not be deemed as payment of dividends and no shareholder will have the right to require the Company to purchase his shares or offer to purchase shares from any other shareholders.

12. **PAYMENT IN INSTALLMENT.**

If pursuant to the terms of issuance of any share, all or any portion of the price thereof shall be payable in installments, every such installment shall be paid to the Company on the due date thereof by the then registered holder(s) of the share or the person(s) then entitled thereto.

13. **CALLS ON SHARES.**

(a) The Board of Directors may, from time to time, as it, in its discretion, deems fit, make calls for payment upon shareholders in respect of any sum (including premium) which has not been paid up in respect of shares held by such shareholders and which is not, pursuant to the terms of issuance of such shares or otherwise, payable at a fixed time, and each shareholder shall pay the amount of every call so made upon him (and of each installment thereof if the same is payable in installments), to the person(s) and at the time(s) and place(s) designated by the Board of Directors, as any such times may be thereafter extended and/or such person(s) or place(s) changed. Unless otherwise stipulated in the resolution of the Board of Directors (and in the notice hereafter referred to), each payment in response to a call shall be deemed to constitute a pro rata payment on account of all the shares in respect of which such call was made.

(b) Notice of any call for payment by a shareholder shall be given in writing to such shareholder not less than fourteen (14) days prior to the time of payment fixed in such notice, and shall specify the time and place of payment, and the person to whom such payment is to be made. Prior to the time for any such payment fixed in a notice of a call given to a shareholder, the Board of Directors may in its absolute discretion, by notice in writing to such shareholder, revoke such call in whole or in part, extend the time fixed for payment thereof, or designate a different place of payment or person to whom payment is to be made. In the event of a call payable in installments, only one notice thereof need be given.

(c) If pursuant to the terms of issuance of a share or otherwise, an amount is made payable at a fixed time (whether on account of such nominal value of such share or by way of premium), such amount shall be payable at such time as if it were payable by virtue of a call made by the Board of Directors and for which notice was given in accordance with paragraphs (a) and (b) of this Article 13, and the provision of these Articles with regard to calls (and the non-payment thereof) shall be applicable to such amount or such installment (and the non-payment thereof).

(d) Joint holders of a share shall be jointly and severally liable to pay all calls for payment in respect of such share and all interest payable thereon.

(e) Any amount called for payment which is not paid when due shall bear interest from the date fixed for payment until actual payment thereof, at such rate (not exceeding the then prevailing debitory rate charged by leading commercial banks in Israel), and payable at such time(s) as the Board of Directors may prescribe.

(f) Upon the issuance of shares, the Board of Directors may provide for differences among the holders of such shares as to the amounts and times for payment of calls for payment in respect of such shares.

14. **PREPAYMENT.**

With the approval of the Board of Directors, any shareholder may pay to the Company any amount not yet payable in respect of such shareholder's shares, and the Board of Directors may approve the payment by the Company of interest on any such amount until the same would be payable if it had not been paid in advance, at such rate and time(s) as may be approved by the Board of Directors. The Board of Directors may at any time cause the Company to repay all or any part of the money so advanced, without premium or penalty. Nothing in this Article 14 shall derogate from the right of the Board of Directors to make any call for payment before or after receipt by the Company of any such advance.

15. **FORFEITURE AND SURRENDER.**

(a) If any shareholder fails to pay an amount payable by virtue of a call, installment or interest thereon as provided for in accordance herewith, on or before the day fixed for payment of the same, the Board of Directors, may at any time after the day fixed for such payment, so long as such amount (or any portion thereof) or interest thereon (or any portion thereof) remains unpaid, forfeit all or any of the shares in respect of which such payment was called for. All expenses incurred by the Company in attempting to collect any such amount or interest thereon, including, without limitation, attorneys' fees and costs of legal proceedings, shall be added to, and shall, for all purposes (including the accrual of interest thereon) constitute a part of, the amount payable to the Company in respect of such call.

(b) Upon the adoption of a resolution as to the forfeiture of a shareholder's share, the Board of Directors shall cause notice thereof to be given to such shareholder, which notice shall state that, in the event of the failure to pay the entire amount so payable by a date specified in the notice (which date shall be not less than fourteen (14) days after the date such notice is given and which may be extended by the Board of Directors), such shares shall be ipso facto forfeited, provided, however, that, prior to such date, the Board of Directors may cancel such resolution of forfeiture, but no such cancellation shall stop the Board of Directors from adopting a further resolution of forfeiture in respect of the non-payment of the same amount.

(c) Without derogating from Articles 52 and 56 hereof, whenever shares are forfeited as herein provided, all dividends, if any, theretofore declared in respect thereof and not actually paid shall be deemed to have been forfeited at the same time.

(d) The Company, by resolution of the Board of Directors, may accept the voluntary surrender of any share.

(e) Any share forfeited or surrendered as provided herein, shall become the property of the Company as a dormant share, and the same, subject to the provisions of these Articles, may be sold, re-issued or otherwise disposed of as the Board of Directors deems fit.

(f) Any person whose shares have been forfeited or surrendered shall cease to be a shareholder in respect of the forfeited or surrendered shares, but shall, notwithstanding, be liable to pay, and shall forthwith pay, to the Company, all calls, interest and expenses owing upon or in respect of such shares at the time of forfeiture or surrender, together with interest thereon from the time of forfeiture or surrender until actual payment, at the rate prescribed in Article 13(e) above, and the Board of Directors, in its discretion, may, but shall not be obligated to, enforce or collect the payment of such amounts, or any part thereof, as it shall deem fit. In the event of such forfeiture or surrender, the Company, by resolution of the Board of Directors, may accelerate the date(s) of payment of any or all amounts then owing to the Company by the person in question (but not yet due) in respect of all shares owned by such shareholder, solely or jointly with another.

(g) The Board of Directors may at any time, before any share so forfeited or surrendered shall have been sold, re-issued or otherwise disposed of, nullify the forfeiture or surrender on such conditions as it deems fit, but no such nullification shall stop the Board of Directors from re-exercising its powers of forfeiture pursuant to this Article 15.

16. **LIEN.**

(a) Except to the extent the same may be waived or subordinated in writing, the Company shall have a first and paramount lien upon all the shares registered in the name of each shareholder (without regard to any equitable or other claim or interest in such shares on the part of any other person), and upon the proceeds of the sale thereof, for his debts, liabilities and engagements to the Company arising from any amount payable by such shareholder in respect of any unpaid or partly paid share, whether or not such debt, liability or engagement has matured. Such lien shall extend to all dividends from time to time declared or paid in respect of such share. Unless otherwise provided, the registration by the Company of a transfer of shares shall be deemed to be a waiver on the part of the Company of the lien (if any) existing on such shares immediately prior to such transfer.

(b) The Board of Directors may cause the Company to sell a share subject to such a lien when the debt, liability or engagement giving rise to such lien has matured, in such manner as the Board of Directors deems fit, but no such sale shall be made unless such debt, liability or engagement has not been satisfied within fourteen (14) days after written notice of the intention to sell shall have been served on such shareholder, his executors or administrators.

(c) The net proceeds of any such sale, after payment of the costs and expenses thereof or ancillary thereto, shall be applied in or toward satisfaction of the debts, liabilities or engagements of such shareholder in respect of such share (whether or not the same have matured), and the residue (if any) shall be paid to the shareholder, his executors, administrators or assigns.

17. **SALE AFTER FORFEITURE OF SURRENDER OR IN ENFORCEMENT OF LIEN.**

Upon any sale of a share after forfeiture or surrender or for enforcing a lien, the Board of Directors may appoint any person to execute an instrument of transfer of the share so sold and cause the purchaser's name to be entered in the Register of Shareholders in respect of such share. The purchaser shall be registered as the shareholder and shall not be bound to see to the regularity of the sale proceedings, or to the application of the proceeds of such sale, and after his name has been entered in the Register of Shareholders in respect of such share, the validity of the sale shall not be impeached by any person, and person, and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

18. **REDEEMABLE SHARES.**

The Company may, subject to applicable law, issue redeemable shares or other securities and redeem the same upon terms and conditions to be set forth in a written agreement between the Company and the holder of such shares or in their terms of issuance.

#### TRANSFER OF SHARES

19. REGISTRATION OF TRANSFER.

No transfer of shares shall be registered unless a proper writing or instrument of transfer (in any customary form or any other form satisfactory to the Board of Directors) has been submitted to the Company (or its transfer agent), together with any share certificate(s) and such other evidence of title as the Board of Directors may reasonably require. Until the transferee has been registered in the Register of Shareholders in respect of the shares so transferred, the Company may continue to regard the transferor as the owner thereof. The Board of Directors, may, from time to time, prescribe a fee for the registration of a transfer.

20. SUSPENSION OF REGISTRATION.

The Board of Directors may, in its discretion to the extent it deems necessary, close the Register of Shareholders of registration of transfers of shares for a period determined by the Board of Directors, and no registrations of transfers of shares shall be made by the Company during any such period during which the Register of Shareholders is so closed.

#### TRANSMISSION OF SHARES

21. DECEDENTS' SHARES.

(a) In case of a share registered in the names of two or more holders, the Company may recognize the survivor(s) as the sole owner(s) thereof unless and until the provisions of Article 21(b) have been effectively invoked.

(b) Any person becoming entitled to a share in consequence of the death of any person, upon producing evidence of the grant of probate or letters of administration or declaration of succession (or such other evidence as the Board of Directors may reasonably deem sufficient (or to an officer of the Company to be designated by the Chief Executive Officer)), shall be registered as a shareholder in respect of such share, or may, subject to the provisions as to transfer contained herein, transfer such share.

22. RECEIVERS AND LIQUIDATORS.

(a) The Company may recognize any receiver, liquidator or similar official appointed to wind-up, dissolve or otherwise liquidate a corporate shareholder, and a trustee, manager, receiver, liquidator or similar official appointed in bankruptcy or in connection with the reorganization of, or similar proceeding with respect to a shareholder or its properties, as being entitled to the shares registered in the name of such shareholder.

(b) Such receiver, liquidator or similar official appointed to wind-up, dissolve or otherwise liquidate a corporate shareholder and such trustee, manager, receiver, liquidator or similar official appointed in bankruptcy or in connection with the reorganization of, or similar proceedings with respect to a shareholder or its properties, upon producing such evidence as the Board of Directors (or an officer of the Company to be designated by the Chief Executive Officer) may deem sufficient as to his authority to act in such capacity or under this Article, shall with the consent of the Board of Directors (which the Board of Directors may grant or refuse in its absolute discretion), be registered as a shareholder in respect of such shares, or may, subject to the regulations as to transfer herein contained, transfer such shares.

#### GENERAL MEETINGS

23. GENERAL MEETINGS.

(a) An annual General Meeting ("**Annual General Meeting**") shall be held at such time and at such place, either within or out of the State of Israel, as may be determined by the Board of Directors.

(b) All General Meetings other than Annual General Meetings shall be called "**Special General Meetings**".

24. RECORD DATE FOR GENERAL MEETING.

Notwithstanding any provision of these Articles to the contrary, and to allow the Company to determine the shareholders entitled to notice of or to vote at any General Meeting or any adjournment thereof, or entitled to receive payment of any dividend or other distribution or grant of any rights, or entitled to exercise any rights in respect of or to take or be the subject of any other action, the Board of Directors may fix a record date, which shall not be more than the maximum period and not less than the minimum period permitted by law. A determination of shareholders of record entitled to notice of or to vote at a meeting shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

25. SHAREHOLDER PROPOSAL REQUEST.

(a) Any Shareholder or Shareholders of the Company holding at least one percent (1%) or a higher percent, as may be required by the Companies Law from time to time, of the voting rights of the Company (the “**Proposing Shareholder(s)**”) may request, subject to the Companies Law, that the Board of Directors include a matter on the agenda of a General Meeting to be held in the future, provided that the Board determines that the matter is appropriate to be considered in a General Meeting (a “**Proposal Request**”). In order for the Board of Directors to consider a Proposal Request and whether to include the matter stated therein in the agenda of a General Meeting, notice of the Proposal Request must be timely delivered in accordance with applicable laws, and the Proposal Request must comply with the requirement of these Articles (including this Article 25) and any applicable law and stock exchange rules and regulations. The Proposal Request must be in writing, signed by all of the Proposing Shareholder(s) making such request, delivered, either in person or by certified mail, postage prepaid, and received by the Secretary (or, in the absence thereof by the Chief Executive Officer of the Company). To be considered timely, a Proposal Request must be received within the time periods prescribed by applicable law. The announcement of an adjournment or postponement of a General Meeting shall not commence a new time period (or extend any time period) for the delivery of a Proposal Request as described above. In addition to any information required to be included in accordance with applicable law, the Proposal Request must include the following: (i) the name, address, telephone number, fax number and email address of the Proposing Shareholder (or each Proposing Shareholder, as the case may be) and, if an entity, the name(s) of the person(s) that controls or manages such entity; (ii) the number of Shares held by the Proposing Shareholder(s), directly or indirectly (and, if any of such Shares are held indirectly, an explanation of how they are held and by whom), which shall be in such number no less than as is required to qualify as a Proposing Shareholder, accompanied by evidence satisfactory to the Company of the record holding of such Shares by the Proposing Shareholder(s) as of the date of the Proposal Request, and a representation that the Proposing Shareholder(s) intends to appear in person or by proxy at the meeting; (iii) the matter requested to be included on the agenda of a General Meeting, all information related to such matter, the reason that such matter is proposed to be brought before the General Meeting, the complete text of the resolution that the Proposing Shareholder proposes to be voted upon at the General Meeting and, if the Proposing Shareholder wishes to have a position statement in support of the Proposal Request, a copy of such position statement that complies with the requirement of any applicable law (if any), (iv) a description of all arrangements or understandings between the Proposing Shareholders and any other Person(s) (naming such Person or Persons) in connection with the matter that is requested to be included on the agenda and a declaration signed by all Proposing Shareholder(s) of whether any of them has a personal interest in the matter and, if so, a description in reasonable detail of such personal interest; (v) a description of all Derivative Transactions (as defined below) by each Proposing Shareholder(s) during the previous twelve (12) month period, including the date of the transactions and the class, series and number of securities involved in, and the material economic terms of, such Derivative Transactions; and (vi) a declaration that all of the information that is required under the Companies Law and any other applicable law and stock exchange rules and regulations to be provided to the Company in connection with such matter, if any, has been provided to the Company. The Board of Directors, may, in its discretion, to the extent it deems necessary, request that the Proposing Shareholder(s) provide additional information necessary so as to include a matter in the agenda of a General Meeting, as the Board of Directors may reasonably require.

A “**Derivative Transaction**” means any agreement, arrangement, interest or understanding entered into by, or on behalf or for the benefit of, any Proposing Shareholder or any of its affiliates or associates, whether of record or beneficial: (1) the value of which is derived in whole or in part from the value of any class or series of shares or other securities of the Company, (2) which otherwise provides any direct or indirect opportunity to gain or share in any gain derived from a change in the value of securities of the Company, (3) the effect or intent of which is to mitigate loss, manage risk or benefit of security value or price changes, or (4) which provides the right to vote or increase or decrease the voting power of, such Proposing Shareholder, or any of its affiliates or associates, with respect to any shares or other securities of the Company, which agreement, arrangement, interest or understanding may include, without limitation, any option, warrant, debt position, note, bond, convertible security, swap, stock appreciation right, short position, profit interest, hedge, right to dividends, voting agreement, performance-related fee or arrangement to borrow or lend shares (whether or not subject to payment, settlement, exercise or conversion in any such class or series), and any proportionate interest of such Proposing Shareholder in the securities of the Company held by any general or limited partnership, or any limited liability company, of which such Proposing Shareholder is, directly or indirectly, a general partner or managing member.

(b) The information required pursuant to this Article shall be updated as of (i) the record date of the General Meeting, (ii) five business days before the General Meeting, and (iii) as of the General Meeting, and any adjournment or postponement thereof.

(c) The provisions of Articles 25(a) and 25(b) shall apply, *mutatis mutandis*, on any matter to be included on the agenda of a Special General Meeting which is convened pursuant to a request of a Shareholder duly delivered to the Company in accordance with the Companies Law.

26. **NOTICE OF GENERAL MEETINGS; OMISSION TO GIVE NOTICE.**

(a) The Company is not required to give notice of a General Meeting, subject to any mandatory provision of the Companies Law, and any other requirements applicable to the Company. Notwithstanding anything herein to the contrary, to the extent permitted under the Companies Law, with the consent of all Shareholders entitled to vote thereon, a resolution may be proposed and passed at such meeting although a lesser notice period than hereinabove prescribed has been given.

(b) The accidental omission to give notice of a General Meeting to any Shareholder, or the non-receipt of notice sent to such Shareholder, shall not invalidate the proceedings at such meeting or any resolution adopted thereat.

(c) No Shareholder present, in person or by proxy, at any time during a General Meeting shall be entitled to seek the cancellation or invalidation of any proceedings or resolutions adopted at such General Meeting on account of any defect in the notice of such meeting relating to the time or the place thereof, or any item acted upon at such meeting.

(d) The Company may add additional places for Shareholders to review the full text of the proposed resolutions to be adopted at a General Meeting, including an internet site.

**PROCEEDINGS AT GENERAL MEETINGS**

27. **QUORUM.**

(a) No business shall be transacted at a General Meeting, or at any adjournment thereof, unless the quorum required under these Articles for such General Meeting or such adjourned meeting, as the case may be, is present when the meeting proceeds to business.

(b) In the absence of contrary provisions in these Articles, two or more shareholders (not in default in payment of any sum referred to in Article 13 hereof), present in person or by proxy and holding shares conferring in the aggregate at least 15 percent of the voting power of the Company, shall constitute a quorum of General Meetings. A proxy may be deemed to be two (2) or more Shareholders pursuant to the number of Shareholders represented by the proxy holder.

(c) If within half an hour from the time appointed for the meeting a quorum is not present, then the meeting shall be canceled if it was convened upon requisition under Section 63 of the Companies Law, and in any other case, without any further notice the meeting shall be adjourned either (i) to the same day in the next week, at the same time and place, (ii) to such day and at such time and place as indicated in the notice to such meeting, or (iii) to such day and at such time and place as the Chairperson of the General Meeting shall determine (which may be earlier or later than the date pursuant to clause (i) above). No business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting as originally called. At such adjourned meeting any shareholder (not in default as aforesaid) present in person or by proxy, shall constitute a quorum.

28. **CHAIRPERSON OF GENERAL MEETING.**

The Chairperson of the Board of Directors shall preside as Chairperson of every General Meeting of the Company. If at any meeting the Chairperson is not present within fifteen (15) minutes after the time fixed for holding the meeting or is unwilling to act as Chairperson, any of the following may preside as Chairperson of the meeting (and in the following order): Director, Chief Executive Officer, Chief Financial Officer, Secretary or any person designated by any of the foregoing. If at any such meeting none of the foregoing persons is present or all are unwilling to act as Chairperson, the Shareholders present (in person or by proxy) shall choose a Shareholder or its proxy present at the meeting to be Chairperson. The office of Chairperson shall not, by itself, entitle the holder thereof to vote at any General Meeting nor shall it entitle such holder to a second or casting vote (without derogating, however, from the rights of such Chairperson to vote as a shareholder or proxy of a shareholder if, in fact, he is also a shareholder or such proxy).

29. **ADOPTION OF RESOLUTIONS AT GENERAL MEETINGS.**

(a) Except as required by the Companies Law or these Articles, including, without limitation, Article 39 below, a resolution of the Shareholders shall be adopted if approved by the holders of a simple majority of the voting power represented at the General Meeting in person or by proxy and voting thereon, as one class, and disregarding abstentions from the count of the voting power present and voting. Without limiting the generality of the foregoing, a resolution with respect to a matter or action for which the Companies Law prescribes a higher majority or pursuant to which a provision requiring a higher majority would have been deemed to have been incorporated into these Articles, but resolutions with respect to which the Companies Law allows the Company's Articles to provide otherwise, shall be adopted by a simple majority of the voting power represented at the General Meeting in person or by proxy and voting thereon, as one class, and disregarding abstentions from the count of the voting power present and voting.

(b) Every question submitted to a General Meeting shall be decided by a show of hands, but the Chairperson of the General Meeting may determine that a resolution shall be decided by a written ballot. A written ballot may be implemented before the proposed resolution is voted upon or immediately after the declaration by the Chairperson of the results of the vote by a show of hands. If a vote by written ballot is taken after such declaration, the results of the vote by a show of hands shall be of no effect, and the proposed resolution shall be decided by such written ballot.

(c) A declaration by the Chairperson of the General Meeting that a resolution has been carried unanimously, or carried by a particular majority, or rejected, and an entry to that effect in the minute book of the Company, shall be prima facie evidence of the fact without proof of the number or proportion of the votes recorded in favor of or against such resolution.

30. **POWER TO ADJOURN.**

A General Meeting, the consideration of any matter on its agenda or the resolution on any matter on its agenda, may be postponed or adjourned, from time to time and from place to place: (i) by the Chairperson of a General Meeting at which a quorum is present (and he shall if so directed by the meeting, with the consent of the holders of a majority of the voting power represented in person or by proxy and voting on the question of adjournment), but no business shall be transacted at any such adjourned meeting except business which might lawfully have been transacted at the meeting as originally called, or a matter on its agenda with respect to which no resolution was adopted at the meeting originally called; or (ii) by the Board (whether prior to or at the General Meeting).

31. **VOTING POWER.**

Subject to the provisions of Article 32(a) and to any provision hereof conferring special rights as to voting, or restricting the right to vote, every Shareholder shall have one vote for each share held by him of record, on every resolution, without regard to whether the vote thereon is conducted by a show of hands, by written ballot or by any other means.

32. **VOTING RIGHTS.**

(a) No shareholder shall be entitled to vote at any General Meeting (or be counted as a part of the quorum thereat), unless all calls then payable by him in respect of his shares in the Company have been paid.

(b) A company or other corporate body being a Shareholder of the Company may duly authorize any person to be its representative at any meeting of the Company or to execute or deliver a proxy on its behalf. Any person so authorized shall be entitled to exercise on behalf of such Shareholder all the power which the Shareholder could have exercised if it were an individual. Upon the request of the Chairperson of the General Meeting, written evidence of such authorization (in form acceptable to the Chairperson) shall be delivered to him.

(c) Any Shareholder entitled to vote may vote either in person or by proxy (who need not be Shareholder of the Company), or, if the Shareholder is a company or other corporate body, by representative authorized pursuant to Article (b) above.

(d) If two or more persons are registered as joint holders of any share, the vote of the senior who tenders a vote, in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holder(s). For the purpose of this Article 32(d), seniority shall be determined by the order of registration of the joint holders in the Register of Shareholder.

(e) A Shareholder who wishes to vote at a General Meeting shall prove his title to a share to the Company as required under the Companies Law and regulations promulgated thereunder. Without prejudice to the aforesaid, the Board of Directors may prescribe regulations and procedures with regard to proof of title to the Company's shares.

**PROXIES**

33. **INSTRUMENT OF APPOINTMENT.**

(a) An instrument appointing a proxy shall be in writing and shall be substantially in the following form:

“I \_\_\_\_\_ of \_\_\_\_\_  
*(Name of Shareholder)* *(Address of Shareholder)*

Being a shareholder of SAFE-T GROUP LTD. hereby appoints \_\_\_\_\_ of \_\_\_\_\_  
*(Name of Proxy)* *(Address of Proxy)*

as my proxy to vote for me and on my behalf at the General Meeting of the Company to be held on the \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ and at any adjournment(s) thereof.

Signed this \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

(Signature of Appointor)”

or in any such form as may be approved by the Board of Directors.

(b) Subject to the Companies Law, the original instrument appointing a proxy or a copy thereof (and the power of attorney or other authority, if any, under which such instrument has been signed) shall be delivered to the Company (at its Office, at its principal place of business, or at the offices of its registrar or transfer agent, or at such place as notice of the meeting may specify) not less than forty eight (48) hours (or such shorter period as the notice shall specify) before the time fixed for such meeting. Notwithstanding the above, the Chairperson shall have the right to waive the time requirement provided above with respect to all instruments of proxies and to accept any and all instruments of proxy until the beginning of a General Meeting. A document appointing a proxy shall be valid for every adjourned meeting of the General Meeting to which the document relates.

34. **EFFECT OF DEATH OF APPOINTOR OF TRANSFER OF SHARE AND OR REVOCATION OF APPOINTMENT.**

(a) A vote cast in accordance with an instrument appointing a proxy shall be valid notwithstanding the prior death or bankruptcy of the appointing shareholder (or of his attorney-in-fact, if any, who signed such instrument), or the transfer of the share in respect of which the vote is cast, unless written notice of such matters shall have been received by the Company or by the Chairperson of such meeting prior to such vote being cast.

(b) Subject to the Companies Law, an instrument appointing a proxy shall be deemed revoked (i) upon receipt by the Company or the Chairperson, subsequent to receipt by the Company of such instrument, of written notice signed by the person signing such instrument or by the Shareholder appointing such proxy canceling the appointment thereunder (or the authority pursuant to which such instrument was signed) or of an instrument appointing a different proxy (and such other documents, if any, required under Article 33(b) for such new appointment), provided such notice of cancellation or instrument appointing a different proxy were so received at the place and within the time for delivery of the instrument revoked thereby as referred to in Article 33(b) hereof, or (ii) if the appointing shareholder is present in person at the meeting for which such instrument of proxy was delivered, upon receipt by the Chairperson of such meeting of written notice from such shareholder of the revocation of such appointment, or if and when such shareholder votes at such meeting. A vote cast in accordance with an instrument appointing a proxy shall be valid notwithstanding the revocation or purported cancellation of the appointment, or the presence in person or vote of the appointing shareholder at a meeting for which it was rendered, unless such instrument of appointment was deemed revoked in accordance with the foregoing provisions of this Article 34(b) at or prior to the time such vote was cast.

**BOARD OF DIRECTORS**

35. **POWERS OF BOARD OF DIRECTORS.**

(a) The Board of Directors may exercise all such powers and do all such acts and things as the Board of Directors is authorized by law or as the Company is authorized to exercise and do and are not hereby or by law required to be exercised or done by the General Meeting. The authority conferred on the Board of Directors by this Article 35 shall be subject to the provisions of the Companies Law, these Articles and any regulation or resolution consistent with these Articles adopted from time to time at a General Meeting, provided, however, that no such regulation or resolution shall invalidate any prior act done by or pursuant to a decision of the Board of Directors which would have been valid if such regulation or resolution had not been adopted.

(b) Without limiting the generality of the foregoing, the Board of Directors may, from time to time, set aside any amount(s) out of the profits of the Company as a reserve or reserves for any purpose(s) which the Board of Directors, in its absolute discretion, shall deem fit, including without limitation, capitalization and distribution of bonus shares, and may invest any sum so set aside in any manner and from time to time deal with and vary such investments and dispose of all or any part thereof, and employ any such reserve or any part thereof in the business of the Company without being bound to keep the same separate from other assets of the Company, and may subdivide or re-designate any reserve or cancel the same or apply the funds therein for another purpose, all as the Board of Directors may from time to time think fit.

36. **EXERCISE OF POWERS OF BOARD OF DIRECTORS.**

(a) A meeting of the Board of Directors at which a quorum is present shall be competent to exercise all the authorities, powers and discretion vested in or exercisable by the Board of Directors.

(b) A resolution proposed at any meeting of the Board of Directors shall be deemed adopted if approved by a majority of the Directors present, entitled to vote and voting thereon when such resolution is put to a vote.

(c) The Board of Directors may adopt resolutions, without convening a meeting of the Board of Directors, in writing or in any other manner permitted by the Companies Law.

37. **DELEGATION OF POWERS.**

(a) The Board of Directors may, subject to the provisions of the Companies Law, delegate any or all of its powers to committees (in these Articles referred to as a "**Committee of the Board of Directors**", or "**Committee**"), each consisting of one or more persons (who may or may not be Directors), and it may from time to time revoke such delegation or alter the composition of any such Committee. No regulation imposed by the Board of Directors on any Committee and no resolution of the Board of Directors shall invalidate any prior act done pursuant to a resolution by the Committee which would have been valid if such regulation or resolution of the Board had not been adopted. The meeting and proceedings of any such Committee of the Board of Directors shall, *mutatis mutandis*, be governed by the provisions herein contained for regulating the meetings of the Board of Directors, so far as not superseded by any regulations adopted by the Board of Directors or by the Companies Law. Unless otherwise expressly prohibited by the Board of Directors in delegating powers to a Committee of the Board of Directors, such Committee shall be empowered to further delegate such powers.

(b) Without derogating from the provisions of Article 49, the Board of Directors may from time to time appoint a Secretary to the Company, as well as officers, agents, employees and independent contractors, as the Board of Directors deems fit, and may terminate the service of any such person. The Board of Directors may, subject to the provisions of the Companies Law, determine the powers and duties, as well as the salaries and compensation, of all such persons.

(c) The Board of Directors may from time to time, by power of attorney or otherwise, appoint any person, company, firm or body of persons to be the attorney or attorneys of the Company at law or in fact for such purposes(s) and with such powers, authorities and discretions, and for such period and subject to such conditions, as it deems fit, and any such power of attorney or other appointment may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board of Directors deems fit, and may also authorize any such attorney to delegate all or any of the powers, authorities and discretions vested in him.

38. **NUMBER OF DIRECTORS.**

(a) The Board of Directors shall consist of such number of Directors, not less than three (3) nor more than twelve (12), including the External Directors, which will be elected if and as required under the Companies Law, as may be fixed from time to time by the Board of Directors.

(b) Notwithstanding anything to the contrary herein, this Article 38 may only be amended or replaced by a resolution adopted at a General Meeting by a majority of 65% of the voting power represented at the General Meeting in person or by proxy and voting thereon, disregarding abstentions from the count of the voting power present and voting, provided that such majority constitutes more than 50% of the Company's then issued and outstanding share capital.

39. **ELECTION AND REMOVAL OF DIRECTORS.**

(a) The Directors, excluding the External Directors if any (who shall be elected and serve in office in strict accordance with the provisions of the Companies Law, if so required by the Companies Law), shall be classified, with respect to the term for which they each severally hold office, into three classes, as nearly equal in number as practicable, hereby designated as Class I, Class II and Class III.

(i) The term of office of the initial Class I directors shall expire at the first Annual General Meeting to be held in 2020 and when their successors are elected and qualified,

(ii) The term of office of the initial Class II directors shall expire at the first Annual General Meeting following the Annual General Meeting referred to in clause (i) above and when their successors are elected and qualified, and

(iii) The term of office of the initial Class III directors shall expire at the first Annual General Meeting following the Annual General Meeting referred to in clause (ii) above and when their successors are elected and qualified.

(b) Directors (other than External Directors), may be elected only in Annual Meetings. At each Annual General Meeting, commencing with the Annual General Meeting to be held in 2020, each of the successors elected to replace the Directors of a Class whose term shall have expired at such Annual General Meeting shall be elected to hold office until the third Annual General Meeting next succeeding his or her election and until his or her respective successor shall have been elected and qualified. Notwithstanding anything to the contrary, each Director shall serve until his or her successor is elected and qualified or until such earlier time as such Director's office is vacated.

(c) If the number of Directors (excluding External Directors) that constitutes the Board of Directors is hereafter changed, the then-serving Directors shall be redesignated to other Classes and/or any newly created directorships or decrease in directorships shall be apportioned by the Board of Directors among the classes so as to make all classes as nearly equal in number as is practicable, provided that no decrease in the number of Directors constituting the Board of Directors shall shorten the term of any incumbent Director.

(d) Prior to every Annual General Meeting of the Company at which Directors are to be elected, and subject to clauses 39(a) and (h) of this Article, the Board of Directors (or a Committee thereof) shall select, by a resolution adopted by a majority of the Board of Directors (or such Committee), a number of Persons to be proposed to the Shareholders for election as Directors at such Annual General Meeting (the "**Nominees**").

(e) Any Proposing Shareholder requesting to include on the agenda of an Annual General Meeting a nomination of a Person to be proposed to the Shareholders for election as Director (such person, an “**Alternate Nominee**”), may so request provided that it complies with this Article 39(e) and Article 25 and applicable law. Unless otherwise determined by the Board, a Proposal Request relating to Alternate Nominee is deemed to be a matter that is appropriate to be considered only in an Annual General Meeting. In addition to any information required to be included in accordance with applicable law, such a Proposal Request shall include information required pursuant to Article 25, and shall also set forth: (i) the name, address, telephone number, fax number and email address of the Alternate Nominee and all citizenships and residencies of the Alternate Nominee; (ii) a description of all arrangements, relations or understandings between the Proposing Shareholder(s) or any of its affiliates and each Alternate Nominee; (iii) a declaration signed by the Alternate Nominee that he consents to be named in the Company’s notices and proxy materials relating to the Annual General Meeting, if provided or published, and, if elected, to serve on the Board of Directors and to be named in the Company’s disclosures and filings, (iv) a declaration signed by each Alternate Nominee as required under the Companies Law and any other applicable law and stock exchange rules and regulations for the appointment of such an Alternate Nominee and an undertaking that all of the information that is required under law and stock exchange rules and regulations to be provided to the Company in connection with such an appointment has been provided (including, information in respect of the Alternate Nominee as would be provided in response to the applicable disclosure requirements under Form 20-F or any other applicable form prescribed by the U.S. Securities and Exchange Commission); (v) a declaration made by the Alternate Nominee of whether he or she meets the criteria for an independent director and/or External Director of the Company under the Companies Law and/or under any applicable law, regulation or stock exchange rules, and if not, then an explanation of why not; and (vi) any other information required at the time of submission of the Proposal Request by applicable law, regulations or stock exchange rules. In addition, the Proposing Shareholder shall promptly provide any other information reasonably requested by the Company. The Board of Directors may refuse to acknowledge the nomination of any person not made in compliance with the foregoing. The Company shall be entitled to publish any information provided by a Proposing Shareholder pursuant to this Article 39 (e) and Article 25, and the Proposing Shareholder shall be responsible for the accuracy and completeness thereof.

(f) The Nominees or Alternate Nominees shall be elected by a resolution adopted at the Annual General Meeting at which they are subject to election.

(g) Notwithstanding anything to the contrary herein, this Article 39 and Article 42(e) may only be amended, replaced or suspended by a resolution adopted at a General Meeting by a majority of 65% of the voting power represented at the General Meeting in person or by proxy and voting thereon, disregarding abstentions from the count of the voting power present and voting, provided that such majority constitutes more than 50% of the Company’s then issued and outstanding share capital.

(h) Notwithstanding anything to the contrary in these Articles, the election, qualification, removal or dismissal of External Directors shall be only in accordance with the applicable provisions set forth in the Companies Law.

(i) Directors whose terms of office have expired or terminated may be re-elected. The aforesaid will not apply to external directors, whose reappointment shall be in accordance with the provisions of the Companies Law and the regulations promulgated thereunder.

40. **COMMENCEMENT OF DIRECTORSHIP.**

Without derogating from Article 39, the term of office of a Director shall commence as of the date of his appointment or election, or on a later date if so specified in his appointment or election.

41. **CONTINUING DIRECTORS IN THE EVENT OF VACANCIES.**

The Board may at any time and from time to time appoint any person as a Director to fill a vacancy (whether such vacancy is due to a Director no longer serving or due to the number of Directors serving being less than the maximum number stated in Article 38 hereof). In the event of one or more such vacancies in the Board of Directors, the continuing Directors may continue to act in every matter, provided, however, that if they number less than the minimum number provided for pursuant to Article 38 hereof, they may only act in an emergency or to fill the office of director which has become vacant up to a number equal to the minimum number provided for pursuant to Article 38 hereof. The office of a Director that was appointed by the Board of Directors to fill any vacancy shall only be for the remaining period of time during which the Director whose service has ended was filled would have held office, or in case of a vacancy due to the number of Directors serving being less than the maximum number stated in Article 38 hereof, the Board shall determine at the time of appointment the class pursuant to Article 39 to which the additional Director shall be assigned.

42. VACATION OF OFFICE.

The office of a Director shall be vacated and he or she shall be dismissed or removed:

- (a) *ipso facto*, upon his or her death;
- (b) if he or she is prevented by applicable law from serving as a Director;
- (c) if the Board determines that due to his or her mental or physical state he or she is unable to serve as a director;
- (d) if his or her directorship expires pursuant to these Articles and/or applicable law;
- (e) by a resolution adopted at an Annual Meeting by a majority of 65% of the voting power represented at the Annual Meeting in person or by proxy and voting thereon, disregarding abstentions from the count of the voting power present and voting, provided that such majority constitutes more than 50% of the Company's then issued and outstanding share capital. Such removal shall become effective on the date fixed in such resolution;
- (f) by his or her written resignation, such resignation becoming effective on the date fixed therein, or upon the delivery thereof to the Company, whichever is later; or
- (g) with respect to an External Director, and notwithstanding anything to the contrary herein, only pursuant to applicable law.

43. CONFLICT OF INTERESTS; APPROVAL OF RELATED PARTY TRANSACTIONS.

Subject to the provisions of the Companies Law and these Articles, no Director shall be disqualified by virtue of his office from holding any office or place of profit in the Company or in any company in which the Company shall be a shareholder or otherwise interested, or from contracting with the Company as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested, be avoided, nor, other than as required under the Companies Law, shall any Director be liable to account to the Company for any profit arising from any such office or place of profit or realized by any such contract or arrangement by reason only of such Director's holding that office or of the fiduciary relations thereby established, but the nature of his interest, as well as any material fact or document, must be disclosed by him at the meeting of the Board of Directors at which the contract or arrangement is first considered, if his interest then exists, or, in any other case, at no later than the first meeting of the Board of Directors after the acquisition of his interest.

44. ALTERNATE DIRECTORS.

(a) Subject to the provisions of the Companies Law, a Director may, by written notice to the Company, appoint, remove or replace any person as an alternate for himself; provided that the appointment of such person shall have effect only upon and subject to its being approved by the Board (in these Articles, an "**Alternate Director**"). Unless the appointing Director, by the instrument appointing an Alternate Director or by written notice to the Company, limits such appointment to a specified period of time or restricts it to a specified meeting or action of the Board of Directors, or otherwise restricts its scope, the appointment shall be for all purposes, and for a period of time concurrent with the term of the appointing Director.

(b) Any notice to the Company pursuant to Article 44(a) shall be given in person to, or by sending the same by mail to the attention of the Chairperson of the Board of Directors at the principal office of the Company or to such other person or place as the Board of Directors shall have determined for such purpose, and shall become effective on the date fixed therein, upon the receipt thereof by the Company (at the place as aforesaid) or upon the approval of the appointment by the Board, whichever is later.

(c) An Alternate Director shall have all the rights and obligations of the Director who appointed him, provided however, that (i) he may not in turn appoint an alternate for himself (unless the instrument appointing him otherwise expressly provides), and (ii) an Alternate Director shall have no standing at any meeting of the Board of Directors or any Committee thereof while the Director who appointed him is present.

(d) Any individual, who qualifies to be a member of the Board of Directors, may act as an Alternate Director. One person may not act as Alternate Director for several directors.

(e) The office of an Alternate Director shall be vacated under the circumstances, *mutatis mutandis*, set forth in Article 42, and such office shall ipso facto be vacated if the office of the Director who appointed such Alternate Director is vacated, for any reason.

#### PROCEEDINGS OF THE BOARD OF DIRECTORS

45. **MEETINGS.**

(a) The Board of Directors may meet and adjourn its meetings and otherwise regulate such meetings and proceedings as the Directors think fit.

(b) Any Director may at any time, and the Secretary, upon the request of such Director, shall, convene a meeting of the Board of Directors, but not less than forty-eight (48) hours' notice shall be given of any meeting so convened, unless such notice is waived by all of the Directors as to a particular meeting or unless the matters to be discussed at such meeting are of such urgency and importance, as determined by the Chairperson, that notice ought reasonably to be waived under the circumstances.

(c) Notice of any such meeting shall be given in writing.

(d) Notwithstanding anything to the contrary herein, failure to deliver notice to a director of any such meeting in the manner required hereby may be waived by such Director, and a meeting shall be deemed to have been duly convened notwithstanding such defective notice if such failure or defect is waived prior to action being taken at such meeting, by all Directors entitled to participate at such meeting to whom notice was not duly given as aforesaid. Without derogating from the foregoing, no Director present at any time during a meeting of the Board of Directors shall be entitled to seek the cancellation or invalidation of any proceedings or resolutions adopted at such meeting on account of any defect in the notice of such meeting relating to the date, time or the place thereof or the convening of the meeting.

46. **QUORUM.**

Until otherwise unanimously decided by the Board of Directors, a quorum at a meeting of the Board of Directors shall be constituted by the presence in person or by any means of communication of a majority of the Directors then in office who are lawfully entitled to participate and vote in the meeting. No business shall be transacted at a meeting of the Board of Directors unless the requisite quorum is present (in person or by any means of communication) when the meeting proceeds to business.

47. **CHAIRPERSON OF THE BOARD OF DIRECTORS.**

The Board of Directors shall, from time to time, elect one of its members to be the Chairperson of the Board of Directors, remove such Chairperson from office and appoint in his place. The Chairperson of the Board of Directors shall preside at every meeting of the Board of Directors, but if there is no such Chairperson, or if at any meeting he is not present within fifteen (15) minutes of the time fixed for the meeting or if he is unwilling to take the chair, the Directors present shall choose one of the Directors present at the meeting to be the Chairperson of such meeting. The office of Chairperson of the Board of Directors shall not, by itself, entitle the holder to a second or casting vote.

48. **VALIDITY OF ACTS DESPITE DEFECTS.**

All acts done or transacted at any meeting of the Board of Directors, or of a Committee of the Board of Directors, or by any person(s) acting as Director(s), shall, notwithstanding that it may afterwards be discovered that there was some defect in the appointment of the participants in such meeting or any of them or any person(s) acting as aforesaid, or that they or any of them were disqualified, be as valid as if there were no such defect or disqualification.

**CHIEF EXECUTIVE OFFICER**

49. **CHIEF EXECUTIVE OFFICER.**

(a) The Board of Directors shall from time to time appoint one or more persons, whether or not Directors, as Chief Executive Officer of the Company and may confer upon such person(s), and from time to time modify or revoke, such titles and such duties and authorities of the Board of Directors as the Board of Directors may deem fit, subject to such limitations and restrictions as the Board of Directors may from time to time prescribe. Such appointment(s) may be either for a fixed term or without any limitation of time, and the Board of Directors may from time to time (subject to any additional approvals required under, and the provisions of, the Companies Law and of any contract between any such person and the Company) fix their salaries and compensation, remove or dismiss them from office and appoint another or others in his or their place or places.

(b) Unless otherwise determined by the Board of Directors, the Chief Executive Officer shall have authority with respect to the management and operations of the Company in the ordinary course of business.

**MINUTES**

50. **MINUTES.**

Any minutes of the General Meeting or the Board of Directors or any committee thereof, if purporting to be signed by the Chairperson of the General Meeting, the Board or a committee thereof, as the case may be, or by the Chairperson of the next succeeding General Meeting, meeting of the Board or meeting of a committee thereof, as the case may be, shall constitute prima facie evidence of the matters recorded therein.

**DIVIDENDS**

51. **DECLARATION OF DIVIDENDS.**

The Board of Directors may from time declare, and cause the Company to pay, such dividend as may appear to the Board of Directors to be justified by the profits of the Company and as permitted by the Companies Law. The Board of Directors shall determine the time for payment of such dividends and the record date for determining the shareholders entitled thereto.

52. **AMOUNT PAYABLE BY WAY OF DIVIDENDS.**

(a) Subject to the provisions of these Articles and subject to the 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, any dividend paid by the Company shall be allocated among the shareholders (not in default in payment of any sum referred to in Article 13 hereof) entitled thereto in proportion to their respective holdings of the shares in respect of which such dividends are being paid.

(b) Whenever the rights attached to any shares or the terms of issue of the shares do not provide otherwise, shares which are fully paid up or which are credited as fully or partly paid within any period which in respect thereof dividends are paid shall entitle the holders thereof to a dividend in proportion to the amount paid up or credited as paid up in respect of the nominal value of such shares and to the date of payment thereof (pro rata temporis).

53. **INTEREST.**

No dividend shall carry interest as against the Company.

54. **CAPITALIZATION OF PROFITS, RESERVES, ETC.**

The Board of Directors may determine that the Company (i) may cause any moneys, investments, or other assets forming part of the undivided profits of the Company, standing to the credit of a reserve fund, or to the credit of a reserve fund for the redemption of capital, or in the hands of the Company and available for dividends, or representing premiums received on the issuance of shares and standing to the credit of the share premium account, to be capitalized and distributed among such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportion, on the footing that they become entitled thereto as capital, or may cause any part of such capitalized fund to be applied on behalf of such shareholders in paying up in full, either at par or at such premium as the resolution may provide, any unissued shares or debentures or debenture stock of the Company which shall be distributed accordingly, in payment, in full or in part, of the uncalled liability on any issued shares or debentures or debenture stock; and (ii) may cause such distribution or payment to be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum.

55. **IMPLEMENTATION OF POWERS.**

For the purpose of giving full effect to any resolution under Article 54, and without derogating from the provisions of Article 56 hereof, the Board of Directors may settle any difficulty which may arise in regard to the distribution as it thinks expedient, and, in particular, may fix the value for distribution of any specific assets and may determine that cash payments shall be made to any shareholders upon the footing of the value so fixed, or that fractions of less value than a certain determined value may be disregarded in order to adjust the rights of all parties, and may vest any such cash, shares, debentures, debenture stock or specific assets in trustees upon such trusts for the persons entitled to the dividend or capitalized fund as may seem expedient to the Board of Directors. Where requisite, a proper contract shall be filed in accordance with Section 291 of the Companies Law, and the Board of Directors may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalized fund.

56. **DEDUCTIONS FROM DIVIDENDS.**

The Board of Directors may deduct from any dividend or other moneys payable to any Shareholder in respect of a share any and all sums of money then payable by such Shareholder to the Company on account of calls or otherwise in respect of shares of the Company and/or on account of any other matter of transaction whatsoever.

57. **RETENTION OF DIVIDENDS.**

(a) The Board of Directors may retain any dividend or other moneys payable or property distributable in respect of a share on which the Company has a lien, and may apply the same in or toward satisfaction of the debts, liabilities, or engagements in respect of which the lien exists.

(b) The Board of Directors may retain any dividend or other moneys payable or property distributable in respect of a share in respect of which any person is, under Articles 21 or 22, entitled to become a Shareholder, or which any person is, under said Articles, entitled to transfer, until such person shall become a Shareholder in respect of such share or shall transfer the same.

58. **UNCLAIMED DIVIDENDS.**

All unclaimed dividends or other moneys payable in respect of a share may be invested or otherwise made use of by the Board of Directors for the benefit of the Company until claimed. The payment by the Directors of any unclaimed dividend or such other moneys into a separate account shall not constitute the Company a trustee in respect thereof, and any dividend unclaimed after a period of seven years from the date of declaration of such dividend, and any such other moneys unclaimed after a like period from the date the same were payable, shall be forfeited and shall revert to the Company, provided, however, that the Board of Directors may, at its discretion, cause the Company to pay any such dividend or such other moneys, or any part thereof, to a person who would have been entitled thereto had the same not reverted to the Company. The principal (and only the principal) of any unclaimed dividend of such other moneys shall be, if claimed, paid to a person entitled thereto.

59. **MECHANICS OF PAYMENT.**

Any dividend or other moneys payable in cash in respect of a share may be paid by check or warrant sent through the post to, or left at, the registered address of the person entitled thereto or by transfer to a bank account specified by such person (or, if two or more persons are registered as joint holders of such share or are entitled jointly thereto in consequence of the death or bankruptcy of the holder or otherwise, to the joint holder whose name is registered first in the Register of Shareholders or his bank account or the person who the Company may then recognize as the owner thereof or entitled thereto under Article 21 or 22 hereof, as applicable, or such person's bank account), or to such person and at such other address as the person entitled thereto may by writing direct, or in any other manner the Board deems appropriate. Every such check or warrant or other method of payment shall be made payable to the order of the person to whom it is sent, or to such person as the person entitled thereto as aforesaid may direct, and payment of the check or warrant by the banker upon whom it is drawn shall be a good discharge to the Company.

60. **RECEIPT FROM A JOINT HOLDER.**

If two or more persons are registered as joint holders of any share, or are entitled jointly thereto in consequence of the death or bankruptcy of the holder or otherwise, any one of them may give effectual receipts for any dividend or other moneys payable or property distributable in respect of such share.

**ACCOUNTS**

61. **BOOKS OF ACCOUNT.**

The Company's books of account shall be kept at the Office of the Company, or at such other place or places as the Board of Directors may think fit, and they shall always be open to inspection by all Directors. No shareholder, not being a Director, shall have any right to inspect any account or book or other similar document of the Company, except as conferred by law or authorized by the Board of Directors. The Company shall make copies of its annual financial statements available for inspection by the Shareholders at the principal offices of the Company. The Company shall not be required to send copies of its annual financial statements to the Shareholders.

62. **AUDITORS.**

The appointment, authorities, rights and duties of the auditor(s) of the Company, shall be regulated by applicable law, provided, however, that in exercising its authority to fix the remuneration of the auditor(s), the shareholders in General Meeting may act (and in the absence of any action in connection therewith shall be deemed to have so acted) to authorize the Board of Directors (with right of delegation to management) to fix such remuneration subject to such criteria or standards, and if no such criteria or standards are so provided, such remuneration shall be fixed in an amount commensurate with the volume and nature of the services rendered by such auditor(s).

62A. **INTERNAL AUDITOR.**

To the extent required by the Companies Law the Board of Directors will appoint an internal auditor according to the audit committee's recommendation ("**Internal Auditor**").

The Internal Auditor shall submit, for the approval of the Board of Directors or the audit committee, as determined by the Board of Directors, a proposal for an annual or periodic work plan, and the Board of Directors or the audit committee shall approve such plan with such changes as it deem fit. Unless the Board of Directors determines otherwise, the work plan shall be submitted to the Board of Directors and approved by it.

**SUPPLEMENTARY REGISTERS**

63. **SUPPLEMENTARY REGISTERS.**

Subject to and in accordance with the provisions of Sections 138 and 139 of the Companies Law, the Company may cause supplementary registers to be kept in any place outside Israel as the Board of Directors may think fit, and, subject to all applicable requirements of law, the Board of Directors may from time to time adopt such rules and procedures as it may think fit in connection with the keeping of such branch registers.

**EXEMPTION, INDEMNITY AND INSURANCE**

64. **INSURANCE.**

Subject to the provisions of the Companies Law with regard to such matters, the Company may enter into a contract for the insurance of the liability, in whole or in part, of any of its Office Holders imposed on such Office Holder due to an act performed by or an omission of the Office Holder in the Office Holder's capacity as an Office Holder of the Company arising from any matter permitted by law, including the following:

- (a) a breach of duty of care to the Company or to any other person;
- (b) a breach of duty of loyalty to the Company, provided that the Office Holder acted in good faith and had reasonable grounds to assume that the act that resulted in such breach would not prejudice the interests of the Company;
- (c) a financial liability imposed on such Office Holder in favor of any other person; and
- (d) any other event, occurrence, matter or circumstance under any law with respect to which the Company may, or will be able to, insure an Office Holder, and to the extent such law requires the inclusion of a provision permitting such insurance in these Articles, then such provision is deemed to be included and incorporated herein by reference (including, without limitation, in accordance with Section 56h(b)(1) of the Securities Law, if and to the extent applicable, and Section 50P of the RTP Law).

65. **INDEMNITY.**

(a) Subject to the provisions of the Companies Law, the Company may retroactively indemnify an Office Holder of the Company with respect to the following liabilities and expenses, provided that such liabilities or expenses were imposed on such Office Holder or incurred by such Office Holder due to an act performed by or an omission of the Office Holder in such Office Holder's capacity as an Office Holder of the Company:

- (i) a financial liability imposed on an Office Holder in favor of another person by any court judgment, including a judgment given as a result of a settlement or an arbitrator's award which has been confirmed by a court in respect of an act performed by the Office Holder;

(ii) reasonable litigation expenses, including attorneys' fees, expended by the Office Holder as a result of an investigation or proceeding instituted against him or her by an authority authorized to conduct such investigation or proceeding, or in connection with a financial sanction, provided that (1) no indictment (as defined in the Companies Law) was filed against such office holder as a result of such investigation or proceeding; and (2) no financial liability in lieu of a criminal proceeding (as defined in the Companies Law) was imposed upon him or her as a result of such investigation or proceeding or if such financial liability was imposed, it was imposed with respect to an offence that does not require proof of criminal intent;

(iii) reasonable litigation costs, including attorney's fees, expended by an Office Holder or which were imposed on an Office Holder by a court in proceedings filed against the Office Holder by the Company or in its name or by any other person or in a criminal charge in respect of which the Office Holder was acquitted or in a criminal charge in respect of which the Office Holder was convicted for an offence which did not require proof of criminal intent; and

(iv) any other event, occurrence, matter or circumstance under any law with respect to which the Company may, or will be able to, indemnify an Office Holder, and to the extent such law requires the inclusion of a provision permitting such indemnity in these Articles, then such provision is deemed to be included and incorporated herein by reference (including, without limitation, in accordance with Section 56h(b)(1) of the Securities Law, if and to the extent applicable, and Section 50P(b)(1) of the RTP Law).

(b) Subject to the provisions of the Companies Law, the Company may undertake to indemnify an Office Holder, in advance, with respect to those liabilities and expenses described in the following Articles:

(i) Sub-Article 65(a)(ii) to 65(a)(iv); and

(ii) Sub-Article 65(a)(i), provided that:

(1) the undertaking to indemnify is limited to such events which the Board of Directors shall deem to be likely to occur in light of the operations of the Company at the time that the undertaking to indemnify is made and for such amounts or criterion which the Directors may, at the time of the giving of such undertaking to indemnify, deem to be reasonable under the circumstances; and

(2) the undertaking to indemnify shall set forth such events which the Directors shall deem to be likely to occur in light of the operations of the Company at the time that the undertaking to indemnify is made, and the amounts and/or criterion which the Directors may, at the time of the giving of such undertaking to indemnify, deem to be reasonable under the circumstances.

The maximum amount of indemnification payable by the Company with respect to those liabilities and expenses described in Sub-Article 65(a)(i), for each Office Holder and for all Office Holders together, individually or in aggregate, under all letters of indemnification issued or to be issued by the Company, shall not exceed the greater of \$5,000,000 and 25% of the Company's Determining Equity.

For that purpose, the "**Company's Determining Equity**" means its equity according to its most recent audited or reviewed financial statements, as the case may be, as of the date of actual payment of indemnification.

66. **EXEMPTION.**

Subject to the provisions of the Companies Law and the Securities Law, the Company may exempt and release, in advance, any Office Holder from any liability to the Company for damages arising out of a breach of the Office Holder's duty of care towards the Company.

Notwithstanding the foregoing, the Company may not exempt a Director in advance from his liability for damages with respect to violation of his duty of care to the Company with respect to distributions. In addition, the Company may not exempt an Office Holder from his liability to the Company with regard to a resolution and/or a transaction in which the controlling Shareholder and/or any Office Holder has a personal interest.

67. Subject to the provisions of the Companies Law and the provisions of any other law, the Company may exempt, insure and/or indemnify (whether retroactively or by way of advance indemnity undertaking) a person who has held, holds or will hold office and/or who was employed, is employed or will be employed on the Company's behalf or in another company in which the Company holds securities, directly or indirectly, or in which the Company has any interest due to liability, payment or cost imposed upon him or expensed by him in consequence of an action made by him in his capacity as an officer or an employee in such company, and Articles 64 through 66 shall apply, mutatis mutandis, in that respect.

68. The provisions of Articles 64 through 66 shall also apply to an alternate director.

69. **GENERAL.**

(a) Any amendment to the Companies Law adversely affecting the right of any Office Holder to be indemnified or insured pursuant to Articles 64 to 68 and any amendments to Articles 64 to 68 shall be prospective in effect, and shall not affect the Company's obligation or ability to indemnify or insure an Office Holder for any act or omission occurring prior to such amendment, unless otherwise provided by applicable law.

(b) The provisions of Articles 64 to 68 (i) shall apply to the maximum extent permitted by law (including, the Companies Law, the Securities Law and the RTP Law); and (ii) are not intended, and shall not be interpreted so as to restrict the Company, in any manner, in respect of the procurement of insurance and/or in respect of indemnification (whether in advance or retroactively) and/or exemption, in favor of 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 any Office Holder to the extent that such insurance and/or indemnification is not specifically prohibited under law.

**WINDING UP**

70. **WINDING UP.**

If the Company is wound up, then, subject to applicable law and to the rights of the holders of shares with special rights upon winding up, the assets of the Company available for distribution among the shareholders shall be distributed to them in proportion to the nominal value of their respective holdings of the shares in respect of which such distribution is being made.

**NOTICES**

71. **NOTICES.**

(a) Any written notice or other document may be served by the Company upon any shareholder either personally, by facsimile, email or other electronic transmission, or by sending it by prepaid mail (airmail if sent internationally) addressed to such shareholder at his address as described in the Register of Shareholders or such other address as he may have designated in writing for the receipt of notices and other documents.

(b) Any written notice or other document may be served by any shareholder upon the Company by tendering the same in person to the Secretary or the Chief Executive Officer of the Company at the principal office of the Company, by facsimile transmission, or by sending it by prepaid registered mail (airmail if posted outside Israel) to the Company at its Office.

(c) Any such notice or other document shall be deemed to have been served:

(i) in the case of mailing, forty-eight (48) hours after it has been posted, or when actually received by the addressee if sooner than forty-eight hours after it has been posted;

(ii) in the case of overnight air courier, on the next business day following the day sent, with receipt confirmed by the courier, or when actually received by the addressee if sooner than three business days after it has been sent;

(iii) in the case of personal delivery, when actually tendered in person, to such addressee; or

(iv) in the case of facsimile, email or other electronic transmission, on the first business day (during normal business hours in place of addressee) on which the sender receives automatic electronic confirmation by the addressee's facsimile machine that such notice was received by the addressee or delivery confirmation from the addressee's email or other communication server.

(d) If a notice is, in fact, received by the addressee, it shall be deemed to have been duly served, when received, notwithstanding that it was defectively addressed or failed, in some other respect, to comply with the provisions of this Article 71.

(e) All notices to be given to the shareholders shall, with respect to any share to which persons are jointly entitled, be given to whichever of such persons is named first in the Register of Shareholders, and any notice so given shall be sufficient notice to the holders of such share.

(f) Any shareholder whose address is not described in the Register of Shareholders, and who shall not have designated in writing an address for the receipt of notices, shall not be entitled to receive any notice from the Company.

(g) Notwithstanding anything to the contrary contained herein, notice by the Company of a General Meeting, containing the information required by applicable law and these Articles to be set forth therein, which is published, within the time otherwise required for giving notice of such meeting, in the manner required by applicable law.

\* \* \*

**EXHIBIT B**  
**AMENDED INDEMNITY LETTER**

**Safe-T Group Ltd.**

**("the Company")**

Date: \_\_\_\_\_

To:

\_\_\_\_\_  
Name of office holder

Re: **Letter of Exemption and Indemnity**

- Whereas** The Articles of Association of the Company allow the Company to exempt and indemnify the directors and office holders of the Company in advance and in retrospect;
- Whereas** The Company's competent organs have made the resolutions required by law to approve the grant by the Company of an undertaking to exempt and indemnify office holders of the Company or of another corporation (as defined below) - in advance and in retrospect – due to a liability or expense imposed thereon as a result of an action they will perform in their capacity as office holders in the Company or in another corporation (as defined below), pursuant to the terms set out below in this of exemption and indemnity letter;
- Whereas** On June 15, 2016 a merger transaction was completed by way of exchange of shares, as part of which the Company acquired all shares of Safe-T Data A.R Ltd. (private company number 51-487256-3) (hereafter – “**the date of completion of the merger transaction**”);
- Whereas** You serve and/or may serve as a Company office holder and/or you serve and/or you may serve and/or be employed on behalf of the Company in another corporation some of whose shares are held by the Company, whether directly and/or indirectly (hereafter – “**another corporation**”).
-

Therefore, the Company irrevocably confirms and undertakes to you, subject to the provisions of any law and the provisions of this letter of exemption and indemnity, as follows:

1. **Definitions**

In this letter of exemption and indemnity, each of the terms below shall have the meaning appearing alongside them below, unless expressly stated otherwise.

**“Administrative Enforcement Procedure”**

- A proceeding in accordance with Chapters 8C (Imposition of A Monetary Sanction by the Securities Authority), 8D (Imposition of Administrative Enforcement Measures by the Administrative Enforcement Committee), or 9A (Arrangement in Order to Avoid Proceedings or Stop Proceedings Subject to Conditions) to the Securities Law; a proceeding in accordance with Article Four of Chapter Four of Part 9 to the Companies Law; The Law for Increased Enforcement in the Capital Market (Legislative Amendments), 5771-2011; a proceeding in accordance with Chapters J, J1 and K1 to the Joint Investments Trust Law, 5754-1994; a proceeding in accordance with Chapters G1, G2 and H2 to the Regulation of Investment Advising, Investment Marketing and Investment Portfolio Management Law, 5755-1995; proceeding in accordance with Chapter II to the Supervision of Financial Services (Insurance) Law, 5741-1981; a proceeding in accordance with Chapter H to the Supervision of Financial Services (Provident Funds) Law, 5765-2005; a proceeding in accordance with Chapter G1 to the Restrictive Trade Practices Law, 5748-1988; a proceeding in accordance with the Law for Increased Enforcement of Labor Laws, 5722-2012; and pursuant to any law, any such similar proceeding, whatever its name may be, whether in accordance with existing or future law.

**“Legal Proceedings” or “Lawsuit”**

- Including civil action, criminal action, derivative action, class action, administrative enforcement procedure, arrangement applications and creditors’ claims.

**“The Companies Law”**

- The Companies Law, 5759-1999

**“The Securities Law”**

- The Securities Law, 5728-1968

**“Act”**

- Including a decision and/or omission, over the course of the office holder’s tenure in the Company or his employment by another corporation on behalf of the Company, provided that such acts were carried out by the office holder after the completion of the merger transaction.

2. **Interpretation**

- 2.1 The permeable and the appendices to this letter of exemption and indemnity constitute an integral part thereof.
- 2.2 The division of this exemption and indemnity letter into sections and the insertion of sections' headings are for convenience of reference only and shall not affect the interpretation thereof.

3. **Indemnity liability**

Subject to the provisions of any law, the provisions of the Company's articles of association and the provisions of this letter of exemption and indemnity, the Company hereby irrevocably undertakes to indemnify you for any liability or expense, as specified in section 4 below, to be imposed on you due to your acts and/or derivative thereof in your capacity as an office holder in the Company and/or and employee and/or office holder on behalf of the Company in another corporation, provided that such acts were carried out after the date of completion of the merger transaction, provided that the identification pursuant to section 4.1 below shall be limited to acts that are directly and/or indirectly related to one or more than one of the events listed in the addendum to this exemption and indemnity letter (hereafter: "**the addendum**" and "**the types of indemnifiable events**") and provided that the maximum amount of indemnity pursuant to section 4.1 below shall not exceed the maximum indemnity amount set in section 5 below for all types of events together and for all Company office holders together.

4. **Causes for indemnification**

The indemnification undertaking as stated in section 3 above shall apply in respect of any liability or expense imposed as specified below:

- 4.1 A monetary liability that was imposed on you or will be imposed on you in favor of another person pursuant to a judgment, including a judgment issued by way of compromise or an arbitration award approved by the court.
- 4.2 Reasonable litigation expenses, including attorney's fees, incurred by you due to an investigation or a proceeding conducted against you by an authority authorized to conduct an investigation or a proceeding, which ended without the filing of an indictment against you and without the imposition of a monetary liability upon you in lieu of a criminal proceeding, or which ended without the filing of an indictment against you but with the imposition of a monetary liability in lieu of a criminal proceeding in an offense requiring no proof of general intent or in connection with a monetary sanction.

In this subsection, “**the conclusion of a proceeding without the filing of an indictment in a matter in which a criminal investigation has been instituted**” and “**monetary liability in lieu of criminal proceedings**” – as defined in Section 260(A)(1a) of the Companies Law.

- 4.3 Reasonable litigation expenses, including attorney’s fees, incurred by or imposed upon you by a court of law, in a proceeding to be filed against you by the Company or on its behalf or by another corporation or another person, or in a criminal charge from which you are acquitted or in a criminal charge for which you are convicted of an offense requiring no proof of general intent;

In this section “**another person**” – including in a case of an action filed against an office holder by way of derivative action.

- 4.4 Expenses, including reasonable litigation expenses, including attorney’s fees, that you incurred in connection with an administrative enforcement proceeding that was conducted with regard to you.
- 4.5 Payment to a party injured by a breach, as set out in Section 52BBB(a)(1)(a) of the Securities Law.
- 4.6 Any other liability or expense which is indemnifiable by law or will be indemnifiable from time to time by law.

**5. Maximum amount of indemnification**

- 5.1 The aggregate indemnification amount to be paid by the Company to all office holders, pursuant to all letters of indemnification that were issued and/or will be issued to Company office holders and employees that serve in the Company or which will serve, at the request of the Company, as office holders or employees of other corporations, due to a liability or expense that will be imposed on them pursuant to the provisions of section 4.1 above, shall not exceed the greater of \$5,000,000 and an amount equal to 25% of the Company’s known shareholders’ equity, for each of the office holders and cumulatively for all office holders, for a single event and cumulatively for all events (hereafter – “**the Maximum Indemnification Amount**”).

For that purpose, “**the Company’s known shareholders’ equity**” means the amount of the Company’s shareholders’ equity according to its latest audited or reviewed consolidated financial statements (as applicable) as of the date of actual payment.

- 5.2 It is hereby clarified that the said indemnification payment does not prejudice your right to receive insurance proceeds in respect of the type of events set out in the addendum, which are insured with an insurance company, which the Company will receive for you from time to time, if any, pursuant to any directors and Company office holders’ liability insurance.

- 5.3 For the avoidance of doubt, it is hereby clarified that the amount of indemnification pursuant to this letter of exemption and indemnity shall apply in excess to any amount paid, if any, under an insurance or indemnification of anyone else other than the Company, provided that you will not be paid double compensation in respect of indemnifiable liability or expense as set out in sections 3 and 4 above and subject to the provisions of section 5.5 below.
- 5.4 If and insofar as the total amounts of indemnification which the Company will be required to pay in respect of the cause which is the subject matter of section 4.1 above plus all indemnification amounts that the Company paid through that date in respect of the said cause set out in section 4.1 above pursuant to the indemnification letters it granted, shall exceed the Maximum Indemnification Amount or the balance of the Maximum Indemnification Amount (as it shall be at such time), then the Maximum Indemnification Amount or the balance thereof shall be divided between the office holders who will be eligible to indemnification in respect of payment demands they filed to the Company in respect of the said cause set out in section 4.1 pursuant to their indemnification letters, and to whom such indemnification was not paid prior to that date (hereafter – “**the Eligible Office Holders**”), such that the indemnification amount to be actually received by each Eligible Office Holder in respect of the said cause, shall be calculated according to the ratio between the amount of the indemnification payable in respect of the said cause to each of the Eligible Office Holders and the aggregate amount of indemnification payable to all Eligible Office Holders in respect of the said cause as of that date, had the Maximum Indemnification Amount not been capped.
- 5.5 In the event that you shall have received indemnification and/or shall be entitled to receive indemnification from the insurer of the insurance policy in respect of the event which is the subject-matter of the indemnification, the indemnification shall be given for the difference between the amount of the monetary liability imposed on you and the legal expenses, and the amount received from the insurer in respect of the same matter, provided that the amount of indemnification charged to the Company in respect of indemnification for the cause specified in section 4.1 above, shall not exceed the Maximum Indemnification Amount.
- 5.6 Interim payments
- 5.6.1 Upon the occurrence of an event, in respect of which you may be entitled to indemnification in accordance with this exemption and indemnity letter, the Company shall make available to you, from time to time, the funds required to cover the expenses and other various payments in connection with that legal proceeding, including investigation proceedings, such that you will not be required to pay or fund the said payments yourself, all subject to the conditions and provisions of this letter of exemption and indemnification.

5.6.2 As part of its undertaking as described above, the Company shall also make available securities that will be required to provide or guarantees that will be required to provide pursuant to interim decisions by the court (in proceedings which are not criminal proceedings), or pursuant to interim decisions by an arbitrator (hereafter – “**the Securities**”), including in lieu of foreclosures that will be imposed on your assets, provided that the total amount of outstanding securities, including securities that had been forfeited, plus the amounts that you received or will receive pursuant to this exemption and indemnity letter in respect of a cause set out in section 4.1 above, shall not exceed the Maximum Indemnification Amount.

5.7 The conditions of the indemnification

Without derogating from the aforesaid, the indemnification undertaking pursuant to this letter of exemption and indemnification is subject to the following conditions:

5.7.1 You will notify the Company in writing of any legal proceeding instituted against you and of any written notice or threat whereby legal proceedings will be instituted against you in connection with any event to which the indemnification may apply (hereafter jointly and severally - “**Legal Proceedings**”) and of any circumstances that were brought to your attention that might cause the institution of legal proceedings against you, within a reasonable amount of time after you first become aware of it, and in such timing as shall leave reasonable time until the date of response to such proceeding, as required under any law (hereafter – “**the Indemnity Notice**”) and you will deliver to the Company, or to whomever it shall instruct you and without delay, any document given to you in connection with the said Legal Proceedings.

5.7.2 Handling the defense

5.7.2.1 Provided that this does not contradict the relevant provisions of the law or the terms of the office holders’ liability insurance policy which the Company purchased, the Company will be entitled to undertake upon itself your defense in the Legal Proceedings and/or to entrust the defense in the case to any attorney to be selected by the Company for that purpose, and a notice as to the identity of this attorney will be issued to you in advance.

5.7.2.2 The Company and/or the attorney will report to you on an ongoing basis as to the progress of the proceedings and shall consult you in connection with the management thereof. The attorney that was appointed as above shall have a fiduciary duty to the Company and to you.

5.7.2.3 In the event that the Company does not notify you within 10 days of the receipt of the Indemnity Notice as aforesaid that it has undertaken to handle your defense against the Legal Proceedings as mentioned above, and/or in the event that you will object, for reasonable reasons or due to conflict of interest between you and the Company or between you and another office holder in the Company, to be represented by the Company's attorney, you will be entitled to entrust your representation with an attorney of your choice, and you will deliver his/her details to the Company in advance, and the provisions of this letter of exemption and indemnity shall apply to the reasonable expenses you will incur in respect of the appointment of an attorney as described above and in respect of the handling of your defense by that attorney. If, after assessing the reasonableness of the fee of the attorney you selected, the Company does not approve the fees, you and the Company shall appoint an adjudicator whose identity will be agreed between you and the Company (and if you fail to agree on his/her identity, the adjudicator shall be appointed by the Chairman of the Tel-Aviv District Committee of the Israel Bar Association), whose decision on the matter will be final. If only part of the fees of the attorney you selected are approved, you will be entitled the approved amount from the Company and you will bear the remaining fees.

Notwithstanding the provisions of this section, if the Company's insurance policy in respect of directors and office holders liability shall apply to the matter, the office holder and the Company shall act in accordance with the provisions of the policy on any matter pertaining to disputes with the insurer regarding the identity of the representing attorney, where the provisions of the policy require this, such that the entrusting of the handling of the case to the other representing attorney will not enable the insurer to release itself from its obligation according to the policy or to reduce it in any manner.

5.7.2.4 The Company shall not be entitled to end the dispute which is the subject matter of the Legal Proceeding by way of arbitration, compromise or mediation, unless it first obtains your written consent, provided that you will only refuse to give such consent for reasonable reasons that will be delivered to the Company in writing. For the avoidance of doubt, it is hereby clarified that even if the dispute which is the subject matter of the Legal Proceedings is to be resolved by way of arbitration, settlement or mediation or in any other way, the Company shall bear the expenses arising there from as part of the expenses of this exemption and indemnity letter.

5.7.2.5 The Company shall not be entitled to end the Legal Proceeding by way of compromise and/or settlement and/or agree to compromise and/or settlement as a result of which you will be required to pay amounts for which you shall not be indemnified according to this letter of exemption and indemnity and which shall not be paid as part of the office holders' liability insurance that was purchased and/or will be purchased by the Company, unless it first obtain your written consent to the compromise that will be achieved.

5.7.3 Collaboration with the Company

Subject to the provisions of section 5.7.2 above:

5.7.3.1 At the Company's request, you shall sign any document authorizing it and/or any attorney as aforesaid, to handle on your behalf your defense in such Legal Proceeding and to represent you in connection therewith, in accordance with the aforesaid.

5.7.3.2 You shall collaborate with the Company and/or with any attorney as aforesaid in any reasonable manner required of you by any of them in connection with their handling of that Legal Proceeding, and you shall comply with the instructions of the insurers pursuant to any office holders' liability insurance policy which the Company takes out in connection with defense against legal proceeding, provided that the Company sees to the coverage of all your expenses, which are involved therein, such that you are not required to pay or fund them yourself, all subject to the provisions of this exemption and indemnity letter.

5.7.4 Regardless of whether the Company acts as specified in section 5.7.2 above or not, it shall see to the coverage of all expenses and other various payments stated in section 4 above, such that you will not be required to pay or fund them yourself, all subject to the provisions of this section 5.

5.7.5 Non-applicability of indemnity

5.7.5.1 The Company shall not be required to indemnify you pursuant to this exemption and indemnity letter for any amount to be paid by you to the plaintiff as a result of a compromise settlement or arbitration, unless the Company shall have agreed in advance and in writing to such settlement or to the holding of such arbitration, as the case may be; however, such consent shall not be unreasonably withheld by the Company.

5.7.5.2 Furthermore, the indemnity shall not apply in cases where you admit to a criminal charge of an offense requiring no proof of general intent, unless the Company shall have agreed to your admission in advance and in writing and provided that such indemnification is allowed by law. Such consent by the Company shall not be unreasonably withheld by the Company.

5.7.6 Non-applicability of the indemnification in cases of indemnification and/or insurance by other parties

The Company shall not be required to pay, pursuant to this exemption and indemnity letter, funds that were actually paid to or for you or in your stead in any manner whatsoever as part of an insurance or any indemnification undertaking of anyone other than the Company. For the avoidance of doubt, it is hereby clarified that the amount of indemnification pursuant to this exemption and indemnity letter shall apply beyond (and in addition) to the amount paid (should such amount be paid) under the insurance policy and/or the other indemnification agreement. Nothing in this section shall derogate from the office holder's rights with respect to the Company's bearing the excess amount stated in the policy and/or the remittance of insurance proceeds received by the Company from insurers in respect of the liability of the office holder and/or legal costs incurred by him.

5.7.7 Payment of indemnity

Upon your request for payment in connection with any event pursuant to this exemption and indemnity letter, the Company shall take any and all actions required under law for payment thereof and shall act to obtain any approval to be required in connection therewith, if any.

5.7.8 The following provisions shall apply to the Company's indemnification obligation in respect of an act that you will do in your capacity as an employee or an office holder in another corporation on behalf of the Company (hereafter – **"the Liable Corporation"**):

5.7.8.1 The Company will not be required to pay pursuant to this exemption and indemnity letter any amounts that you will be entitled to receive and shall actually receive from the Liable Corporation under an insurance policy taken out by the Liable Corporation and/or pursuant to an indemnification undertaking given in advance or pursuant to an indemnification permit given by the Liable Corporation.

- 5.7.8.2 If your demand to receive indemnification and/or insurance coverage due to an act you performed in your capacity as an office holder in the Liable Corporation, which may be indemnifiable pursuant to this letter of exemption and indemnity, is rejected by the Liable Corporation or by the Liable Corporation's insurance company, as the case may be, the Company shall pay you pursuant to this exemption and indemnity letter, amounts to which you shall be entitled pursuant to this exemption and indemnity letter, if any, and you shall assign to the Company your rights to receive amounts from the Liable Corporation and/or under the Liable Corporation's insurance policy and authorize the Company to collect such amounts on your behalf, insofar as such authorization is required for the fulfilment of the provisions of this section. For this purpose, you undertake to sign any document required by the Company for the assignment of your said rights and the authorization of the Company to collect the said amounts on your behalf.
- 5.7.8.3 For the avoidance of doubt, it is clarified that nothing in this letter of indemnification grants the Liable Corporation and/or any other third party any rights towards the Company, including, but without derogating from the generality of the aforesaid, a right to sue and/or demand any payment from the Company as participation in the indemnification and/or insurance coverage to be granted to you by the Liable Corporation due to an act you carried out in your capacity as an office holder in the Liable Corporation.

**6. Conditions attached to the indemnity**

Despite the above, the Company shall not indemnify you for any liability or monetary expense imposed on you due to any of the following:

- 6.1 A breach of a fiduciary duty to the Company, unless you acted in good faith and had reasonable cause to believe that the act would not harm the best interests of the Company.
- 6.2 A breach of the duty of care committed deliberately or recklessly, unless committed in mere negligence.
- 6.3 An act performed with the intent of unlawfully deriving personal gain.
- 6.4 A fine, civil penalty, monetary sanction or forfeit imposed on you.
- 6.5 Administrative Enforcement Procedure that will be conducted with regard to your matter (but subject to the provisions of sections 4.4 and 4.5 above).

6.6 A counterclaim to be filed against you by the Company (as a consequence of a lawsuit that you will file against the Company).

The conditions set out in this section above, except for the condition set out in section 6.6 above, shall apply unless indemnification or insurance shall be allowed in respect of any or all of the above cases, under the law or under a directive of a competent authority.

**7. Repayment of indemnification amounts paid**

In the event that the Company pays you or in your stead any amounts pursuant to this exemption and indemnity letter in connection with such Legal Proceeding, and thereafter:

- 7.1 The charge in respect of which the amount has been paid was cancelled or where the amount was reduced for any reason whatsoever, you shall assign to the Company all your rights to recover the amount from the plaintiff in the proceedings and shall do everything necessary in order for such assignment to be valid and exercisable by the Company, and once you have done so, you will be exempt from repaying to the Company the amount, the right of recovery of which has been assigned to the Company. If you do not do so, you will be required to repay to the Company all or some of the amount, as the case may be, together with linkage differences and interest at rates and for such period as you will be entitled to repayment of the amount by the plaintiff.
- 7.2 It transpires in a final judgement that you are not entitled to indemnification from the Company for those amounts, those amounts shall be deemed as a loan extended to you by the Company, which will bear interest at the lowest rate prescribed from time to time under law in order for the loan not to be deemed as a taxable benefit received by the party which received the loan, and you shall be required to repay those amounts to the Company when required in writing thereby to do so, according to such payment schedule as the Company shall determine.

**8. Exemption**

- 8.1 As an office holder, the Company hereby exempts you, to the extent permissible by law, from any liability towards the Company, due to any damage caused to the Company by your acts in your capacity as an office holder of the Company and/or as an office holder or employee on behalf of the Company in another corporation, due to breach of duty of care, provided that those acts were carried out after the date of completion of the merger transaction.
- 8.2 Despite the above, the Company does not exempt you from liability due to breach of duty of care with respect to distribution (as defined in the Companies Law) and/or due to any "counterclaim" proceedings instituted against you by the Company in response to a lawsuit you filed against the Company, except where your lawsuit was filed to protect protective rights set out in labor laws and/or in a personal employment agreement between you and the Company.

8.3 Notwithstanding the provisions of this section 8 above, the exemption granted in this section 8 shall not apply to any resolution or transaction in which the Company's controlling shareholder or any Company office holder has personal interest.

**9. Exemption period**

The Company's obligations under this exemption and indemnity letter will inure to your benefit, even after the end of your service as an office holder of the Company and/or as an office holder or employee on behalf of the Company in another corporation, provided that the acts in respect of which the exemption from liability and the indemnification obligation are given were carried out during the period of your tenure as an office holder of the Company and/or as an office holder or employee on behalf of the Company in another corporation, regardless of the date on which the event in respect of which you are entitled to indemnification and/or exemption pursuant to this exemption and indemnity letter was disclosed. The Company's undertakings as set out above shall also be available to your estate, your heirs and other substitutes according to law, and it shall not be cancelled or changed other than to your benefit.

For the avoidance of doubt and notwithstanding the above, no exemption or indemnification shall be given pursuant to this exemption and indemnity letter in respect of any act or omission that have taken place prior to the date of completion of the merger transaction.

The Company may, at its sole discretion and at any given time, revoke its exemption and indemnification undertaking pursuant to this exemption and indemnity letter, or reduce the Maximum Indemnification Amount hereunder, or restrict the events to which it applies, either with respect to all of the office holders or some of them, insofar as the revocation/reduction/restriction pertains to events that will take place after the date of the change – provided that the office holder has been given advance notice in writing of such intention at least 30 days before the effective date of its decision. For the avoidance of doubt, it is hereby clarified that no such decision, which may impair the terms of this letter or revokes it, shall have retroactive effect of any kind whatsoever, and the exemption and indemnity letter as it was before the modification or revocation hereof, as the case may be, shall continue to be valid for all intents and purposes with respect to any event that has taken place prior to the modification or revocation, even if the proceeding in respect thereof shall have been filed against the officer after the modification or revocation of the exemption and indemnity letter.

**10. Miscellaneous**

10.1 This exemption and indemnity letter is subject to any law and to the Company's constitutional documents, as shall be from time to time.

- 10.2 The Company's obligations pursuant to this exemption and indemnity letter shall be broadly interpreted and in a manner that shall facilitate their implementation, to the extent permitted by law and according to the purpose for which they were intended. In the event of a discrepancy between any provision of this exemption and indemnity letter and a provision of the law, which cannot be changed or added to, then the said provision of the law shall take precedence; however, this shall not prejudice or derogate from the validity of the remaining provisions of this exemption and indemnity letter.
  - 10.3 This exemption and indemnity letter does not restrict the Company or prevent it from increasing the Maximum Indemnification Amount, whether due to decrease of the insurance amounts according to the office holders' liability insurance policy, or due the Company's being unable to obtain office holders' liability insurance that will cover the indemnification events, on reasonable conditions or due to any other reason so long as such a resolution is made in the manner set out in the any law.
  - 10.4 No waiver, delay, refrainment from action or the granting of an extension by the Company or by you shall be interpreted, under any circumstances, as a waiver, nor shall they prejudice your and/or the Company's rights and undertakings pursuant to this exemption and indemnity letter and any law, nor shall they prevent you or the Company from taking any legal and other measures required to exercise such rights as aforesaid.
  - 10.5 For the avoidance of doubt, it is hereby clarified that the indemnification undertaking according to this letter does not derogate from the Company's right to decide on any additional indemnification in retrospect or in advance and/or to expand any existing indemnification for any reason whatsoever, all subject to obtaining the necessary approvals according to any law.
  - 10.6 This exemption and indemnity letter is not a contract for the benefit of any third party, including any insurer and it is not assignable nor will any third party, including an insurer, have the right to demand the participation of the Company in a payment for which the it is made liable under an agreement that was entered into therewith, with the exception of the excess amount set out in such an agreement.
11. This exemption and indemnity letter shall also apply to an alternate director.
  12. This exemption and indemnity letter shall be governed by Israeli law and the competent court in Tel Aviv-Jaffa shall have sole jurisdiction over disputes arising from the implementation of this exemption and indemnity letter.
  13. The Addendum to this exemption and indemnity letter constitutes an integral part thereof.

14. This exemption and indemnity letter shall take effect upon your signing a copy hereof in the space designated therefor and delivery of the signed copy to the Company.

In witness thereof, the Company's affix its signature below.

\_\_\_\_\_  
Companies Merging Purpose Ltd.

**I hereby confirm receipt of this exemption and indemnity letter to be bound by its terms.**

\_\_\_\_\_  
Signature of office holder

\_\_\_\_\_  
Date

## Addendum

### The Indemnifiable Events

1. An offering, issuance and repurchase of securities by the Company and/or a subsidiary and/or a corporation controlled by the Company or another company, in which the Company holds shares, whether directly or indirectly, and/or in which the Company has any interest (hereafter together in this addendum – “**the Company**”) or by the Company’s shareholders, including, without limitation, public offering pursuant to a prospectus or otherwise, private offering or offering of securities in any other way, or issuance of bonus shares or execution of a purchase or sale offer (including the offering of securities that has not yet taken place), both in Israel and abroad, as well as other acts in connection with securities.
2. An event arising from the Company’s being a public company or a reporting corporation as defined in the Companies Law, or from the fact that its securities were offered to the public or from the fact that its shares or securities are traded on a stock exchange in Israel or abroad.
3. Transfer to companies which are interested parties in the Company of information the transfer of which is required or allowed pursuant to any law.
4. Action or omission in connection with issues relating to environmental and/or planning and building issues, including any legal or administrative procedures, in Israel or abroad, regarding matters that are directly or indirectly related to protection of the environment or to the provisions of law, procedures or standards which apply in Israel or abroad in connection with the protection of the environment and which pertain, among other things, to contamination, health protection, manufacturing procedures, distribution, use, treatment, storage and transportation of hazardous substances, including in respect of bodily harm and damage to property and to the environment.
5. Any claim or demand that is filed in connection with the appointment or an application for appointment of a receiver to the Company’s assets or in connection with a liquidation application filed against the Company or in connection with any procedure for the purpose of reaching a compromise or settlement with the Company’s creditors.
6. Class actions or derivative actions in connection with the Company and its activity.
7. Acts and/or omissions in connection with the application for and/or renewal of licenses and/or certifications and/or permits that are required for the activity and businesses of the Company or that caused non-renewal and/or revocation and/or non-compliance of the Company therewith or with standards and/or directives and/or requirements and/or procedures of a competent authority by virtue of laws and/or orders and/or regulations that are relevant for the activity and businesses of the Company, including but without derogating from the generality of the aforementioned, certificates and/or exemptions relating to restrictive trade practices, the Chief Scientist and the Commissioner of Capital Markets, Insurance and Savings at the Ministry of Finance.

8. Any act and/or omission related, whether directly or indirectly, to the management of the Company's investment portfolio and/or its bank accounts, including foreign currency deposits, securities, loans and credit facilities, debit cards, bank guarantees, credit letters, investment consulting agreements, including with portfolio managers, hedging transactions, options, futures, etc.
9. Acts relating to the filing of offers for tenders and/or franchises and/or licenses of any kind and type whatsoever.
10. An act which breaches the Company's constitutional documents.
11. Any action and/or demand filed by a client, supplier, contractor and/or any other third party that has a business relationship with the Company, and/or any action and/or demand that was filed against the office holder by any person and/or corporation and/or entity and/or authority which act pursuant to the law.
12. Any act and/or decision and any claim and/or demand filed by employees, consultants, agents, marketers, service providers, other individuals and/or entities who are employed by the Company or provide services to the Company in connection with compensation which is owed to them or damages or liabilities sustained by them in connection with their employment by the Company or engagement with the Company, including also events that are related to employee's employment terms and employer-employee relationship, including, but not only, negotiations, engagement and execution of personal employment agreements, work and employment conditions, employee benefits, award of securities, promotion of employees, handling of pension arrangements, insurance and savings funds and events relating to work safety and work-related damages, regardless of whether these included bodily harm or damage to property.  
  
Any act in connection with the activity of the Company or an omission that is attributed to the Company, or respectively to its employees, agents or other persons, who act or claim that they act on behalf of the Company or by virtue of their position in the Company, which caused bodily harm, illness, death and/or damage to property, including loss of use thereof.
13. Any claim and/or demand made in connection with non-disclosure or failure to provide any type of information at the time required pursuant to the law and/or in connection with erroneous and or inadequate disclosure of such information to third parties, including the Income Tax Authority, the VAT Authorities, the Investment Center, municipalities, the Ministry of Environmental Protection and any government agency, institution and/or trade or other union, provided that indemnification in respect thereof is allowed by law. Furthermore, events arising from or related to fair disclosure and/or information that was delivered or information that was not delivered by the Company to third parties in connection with securities, financial assets, deposits or any other information pertaining to its activity, provided that indemnification in respect thereof is allowed by law.

14. Any procedure (including claim or demand) in relation to the Company's intellectual property rights, the registration, enforcement and protection of those rights and/or in relation to an infringement or alleged infringement of an intellectual property right and/or in relation to abuse of intellectual property rights whether by act and/or by omission of the Company or anyone acting on its behalf.
15. Any claim and/or demand filed by a lender or creditor of the Company in connection with funds that it extended as loan and/or the Company and/or an investee company's debt and/or obligations towards it.
16. Any claim and/or demand made by any third party suffering bodily injury and/or damage to business or personal property including loss of use thereof through any act or omission attributed to the Company, or its respective employees, office holders, managers, agents or other persons acting or allegedly acting on its behalf.
17. Any claim or demand made directly or indirectly in connection with complete or partial omission, by the Company and/or its office holders, managers and/or employees, to pay, report and/or document any government, foreign, municipal authority and/or any other mandatory payment required pursuant to the laws of the State of Israel, including income tax, sale tax, betterment tax, transfer tax, value added tax, excise tax, stamp tax, customs, national insurance, salaries and/or delay of pay to employees and/or other delays, including any interest and linkage differences.
18. Any claim or demand filed by purchasers, owners, lessees and/or other holders of Company's assets or products in respect of damages and/or losses pertaining to the use of the said assets.
19. Any administrative, public or judicial act, orders, court judgments, lawsuits, demands, letters of claim, directions, claims, charges, foreclosures, investigation proceedings, or notices of non-compliance or breaches of acts by a governmental authority and/or other entities claiming potential responsibility or liability (including for the costs of enforcement, investigations, responses of governmental authorities and/or fines or donations, indemnification, recuperation payments, compensation) as a result thereof and/or non-compliance with provisions of law, regulation, order, ordinance, rule, practice, directive, licensing, guideline, policy and/or court judgement by the Company and/or its office holders during their service in the Company, whether in Israeli or abroad (including in respect of Administrative Enforcement Procedure, should the indemnification in respect thereof is allowed by law).

20. Any judicial proceedings, whether in Israel or abroad, and any act in connection with the Company or the subsidiaries in matters relating, whether directly or indirectly, to issuance of licenses or permits and/or the to the Anti-Trust Law, 5748,1988 and/or orders, and/or regulations and/or rules promulgated thereunder, and/or certificates and/or permits issued in accordance therewith, including cartels, mergers and monopolies.
21. Any claim and/or demand relating to any change of the Company's structure or its restructuring, including but without derogating from the generality of the aforementioned, merger, split, change in the Company's equity, incorporation, liquidation and/or sale of subsidiaries to third parties (as these terms are defined in the Companies Law).
22. Any claim and/or demand relating to a decision and/or activity of the Company and/or the office holder as part of his/her work in the Company, after the appropriate checks and consultations were carried out in respect thereof which are suitable for that type of decision and/or activity, including decisions made by the Company's Board of Directors and/or one of its committees.
23. Any claim and/or demand relating to a statement, including the expressing of a position or an opinion and/or voting in the general meetings of the Company or other corporations and/or in other organs of the Company or other corporations, that was made by the office holder as part of his/her work in the Company, including any claim or demand filed by any person in connection with defamation and/or the Privacy Protection Law, 5471-1981 and/or orders and/or regulations promulgated thereunder.

24. Issuance of securities, including, but without derogating from the generality of the above, the offering of securities that were made or will be made by the Company to the public or not to the public including purchase offers (i.e., any claim and/or demand in relation to an expert opinion of the Company's Board of Directors to offerees under a purchase offer, regarding the profitability of a special purchase offer pursuant to Section 329 of the Companies Law, or the failure to give such an opinion and other procedures pursuant to prospectuses or other documents and in respect of other acts relating to the Company's equity.
25. Events arising from or related to Company's holdings in various corporations, whether for itself or as trustee, including in respect of the voting in the general meetings of those corporations.
26. Events relating to investments by the Company and/or subsidiaries in any corporations (including investments that did not take place), prior, during and after the implementation of the investment, during the engagement, signing, development and tracking, including actions carried out on behalf of the Company as director, office holder, employee or observer in the Board of Directors of the invested corporation.
27. Transactions and acts of the Company as defined in Section 1 of the Companies Law (as well as acts that are directly or indirectly related to such transactions and acts), including performance, cancellation and/or activities or transactions that the Company will refrain from doing, negotiations relating to a transaction, due diligence study (including non-performance thereof), transfer, sale, lease, placing charges on or purchase of assets or liabilities including securities or rights or the receipt or non-receipt of right in any of them, including any purchase offer of any kind whatsoever, or merger of the Company with another entity, receipt of credit and provision of securities, investment in securities of various corporations and/or receipt of rights in various corporations, collaboration agreements, ventures and management agreements and any other transaction involving securities issued or to be issued by the Company, whether the Company is a party to such a transaction or not and whether those transactions or acts are completed or not for any reason whatsoever.
28. Action or omission in connection with taking out and/or activation and/or handling of insurance arrangements and/or risk management. and also, any matter relating to negotiations regarding insurance agreements, engagement in insurance agreements, terms of insurance policies and the activation of insurance policies.
29. Any act or omission in connection with a distribution as defined in the Companies Law, including in connection with the purchase of Company's shares, provided that indemnification in respect of such action does not constitute a breach of any law, and any claim or demand in connection with distribution of dividends to Company's shareholders.

30. Event that had or may have had a material impact on the Company's profitability or its assets or rights or liabilities.
31. Action or omission in connection with information, representations, estimates, opinions, financial statements, reports or notices and applications for approvals (and their underlying acts), which are filed to various competent authorities, including judicial and administrative authorities and regulatory bodies, by the Company and/or in connection with the Company and its activity (even if the same are not filed by the Company itself) (including refraining from filing such a report or notice), pursuant to any law, including, but without derogating from the generality of the aforesaid, the Companies Law or the Securities Law, including regulations promulgated thereunder, or pursuant to rules or guidelines of a Stock Exchange in Israel or abroad, or pursuant to directives of a competent authority, including, and without derogating from the above, the Securities Authority, the Anti-Trust Authority, the Income Tax Authority, the Databases Registrar, the Companies Registrar, the Trademarks Registrar, the Pledges Registrar, the Land Registrar, the Tel Aviv Stock Exchange Ltd., the Commissioner of Capital Markets, Insurance and Savings at the Ministry of Finance, the Supervisor of Banks, local authorities, other competent authorities in the field of communications, energy, planning and building etc., in Israel or abroad, or pursuant to the provisions of the tax laws applicable to the Company and a claim or demand in connection with non-disclosure or failure to provide any information at the time required by law.
32. Any act carried out by the Company in connection with the transactions it performs, its holdings, investments, trade, development, finances, financial management, marketing and other activities of the Company and the subsidiaries or that they will be allowed to carry out by law.
33. Act or omission in connection with the formation of a business plan, work plans, including pricing, marketing, distributions, directives to employees, to clients, agents, marketers and suppliers and any collaborations, the Company's policy and procedures; carrying out acts further to or in accordance with the Company's policy, procedures and practices, regardless if they were published or not.
34. Resolutions and/or acts relating to the Consumer Protection Law, 5471-1981 and/or orders and/or regulations promulgated thereunder, and resolutions and/or acts relating to laws and/or regulations and/or orders and/or rules and/or directives of competent authorities in matters concerning product liability, including, but without derogating from the generality of the aforesaid, The Defective Products (Liability) Law 5740-1980, and legislation and regulation regarding consumer health and resolutions and/or acts concerning the Supervision of Prices of Products and Services Law, 5756-1996 and/or orders and/or regulations promulgated thereunder.
35. Anything related to the drawing up and/or approval of the financial statements, including acts or omissions relating to adoption of financial reporting standards (including IFRS), drawing up and signing the financial statements of the Company (whether consolidated or standalone financial statements, as the case may be), and in connection with the drawing up and/or approval of the Directors' Report and/or business plans and forecasts, and/or the assessment of the effectiveness of the Company's internal controls and other issues included in the financial statements and in the Directors' Report as well as issuing declarations in connection with the financial statements.

36. Breach, or alleged breach, of any agreement to which the Company is a party.
37. Act or omission in connection with the Company's voting rights.
38. Act or omission in connection with the tax liability of the Company and/or its shareholders.
39. Act or resolution which is directly or indirectly related to the Company's trade relations and/or its businesses, including in connection with employees, external contractors, clients, suppliers, franchisers, consultants, lessees and service providers or any third party that conducts any type of business activity with the Company, whether directly or indirectly, including negotiation, entering into contracts with the abovementioned and execution or non-execution of those contracts.
40. Any action and/or demand relating to the types of events listed above, in connection with the tenure of the office holder in subsidiaries and/or related companies of the Company and/or in another corporation, so long as this was done in his/her capacity as an office holder and/or employee of one of the said companies.

Any provision set out above in this Addendum, which pertains to the performance of any act shall also be construed as pertaining to non-performance or failure to perform that act.

**Annual and Extraordinary General Meeting of Safe-T Group LTD.**

Date: September 26, 2019  
See Voting Instruction On Reverse Side.

Please make your marks like this:  Use pen only

- |  | For                      | Against                  | Abstain                  |
|--|--------------------------|--------------------------|--------------------------|
| 1. To re-appoint PwC Israel, Certified Public Accountants, as the independent auditor of the Company for the year ending December 31, 2019, and until the next annual general meeting of the Company's shareholders, and to authorize the Board of Directors of the Company to determine their remuneration.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. To adopt the following resolutions:   |                          |                          |                          |
| 2.1. To re-appoint Mr. Chen Katz as a member of the Company's Board of Directors, until the next annual general meeting of the Company's shareholders, or, if Proposal No. 3 is approved, until his term expires in accordance with his class.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2.2. To re-appoint Mr. Amir Muztar as a member of the Company's Board of Directors, until the next annual general meeting of the Company's shareholders, or, if Proposal No. 3 is approved, until his term expires in accordance with his class.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2.3. To re-appoint Mr. Shachar Daniel as a member of the Company's Board of Directors, until the next annual general meeting of the Company's shareholders, or, if Proposal No. 3 is approved, until his term expires in accordance with his class.  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2.4. To re-appoint Mr. Eylon Geda as a member of the Company's Board of Directors, until the next annual general meeting of the Company's shareholders, or, if Proposal No. 3 is approved, until his term expires in accordance with his class.  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2.5. To re-appoint Mr. Lior Vider as member of the Company's Board of Directors, until the next annual general meeting of the Company's shareholders, or, if Proposal No. 3 is approved, until his term expires in accordance with his class.  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2.6. To re-appoint Mr. Noa Matzlach as member of the Company's Board of Directors, until the next annual general meeting of the Company's shareholders, or, if Proposal No. 3 is approved, until her term expires in accordance with her class.  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. To adopt the amended and restated articles of association, in the form attached as <u>Exhibit A</u> to the Proxy Statement.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3a. In the event Proposal No. 3 for adoption of the amended and restated articles of association is not approved, to amend the Company's current articles of association such that the maximum amount of indemnification payable by the Company to each office holder and to all office holders together, individually or in aggregate, shall not exceed the greater of 25% of the Company's Equity and \$5,000,000, as set forth in Proposal No. 3a of the Proxy Statement. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. To approve a reverse share split of the Company's Ordinary Shares by a ratio of up to 20:1, to be effective at the ratio and on a date to be determined by the Board of Directors, and to amend our Amended Articles to effect such Reverse Split, or, in the event the Proposal No. 3 for adoption of the Amended Articles is not approved, to amend the Current Articles accordingly, as set forth in the Proposal No. 4 of the Proxy Statement.                        | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. To amend the Company's Compensation Policy, as detailed in Proposal No. 5 of the Proxy Statement.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5a. Are you a controlling shareholder of the Company and/or have a personal interest (as such terms are defined in the Companies Law and in the Proxy Statement) in the amendment of the Compensation Policy, as set forth in the Proxy Statement?   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| * If you do not mark either Yes or No, your shares will not be voted for Proposal No. 5.   |                          |                          |                          |
| 6. Subject to approval of the Proposals No. 3 or 3a and 5 above, to approve the Amended Indemnity Letter, in the form attached as <u>Exhibit B</u> to the Proxy Statement, and to grant the Amended Indemnity Letter to the Company's directors and office holders currently in the office, as well as those who will serve with the Company from time to time.  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

**Authorized Signatures - This section must be completed for your instructions to be executed.**

_____	_____
Please Sign Here	Please Date Above
_____	_____
Please Sign Here	Please Date Above

**Annual and Extraordinary General Meeting of Safe-T Group LTD.  
to be held on September 26, 2019  
For Holders as of August 26, 2019**



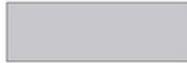
- Mark, sign and date your Voting Instruction Form.
- Detach your Voting Instruction Form.
- Return your Voting Instruction Form in the postage-paid envelope provided.

For additional information, please visit:  
<https://www.safe-t.com/investors-relations/#generalmeetings>

All votes must be received by 12:00 p.m. EST, on September 23, 2019.

**PROXY TABULATOR FOR  
SAFE-T GROUP LTD.  
P.O. BOX 8016  
CARY, NC 27512-9903**

↑ Please separate carefully at the perforation and return just this portion in the envelope provided. ↑



EVENT #

CLIENT #

**Safe-T Group LTD.**

**Instructions to The Bank of New York Mellon, as Depositary  
(Must be received prior to 12:00 p.m. EST on September 23, 2019)**

The undersigned registered owner of American Depositary Shares hereby requests and instructs The Bank of New York Mellon, as Depositary, to endeavor, in so far as practicable, to vote or cause to be voted the amount of Shares or other Deposited Securities represented by such Shares of **Safe-T Group LTD.**, registered in the name of the undersigned on the books of the Depositary as of the close of business on **August 26, 2019** at the **Annual and Extraordinary General Meeting** of the Shareholders of **Safe-T Group LTD.** to be held on **September 26, 2019** at 3:30 p.m. (Israel time), at the Company's offices at 8 Abba Eban Blvd., Herzeliya, Israel or any postponement or adjournment thereof in respect of the resolutions specified on the reverse.

**NOTES:**

1. Please direct the Depositary how it is to vote by placing an "X" in the appropriate box opposite each agenda item.

PROXY TABULATOR FOR  
SAFE-T GROUP LTD.  
P.O. BOX 8016  
CARY, NC 27512-9913