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Amendment to Deeds of Trust Through a Settlement Agreement – Appendix A to the Ballot Paper

BETWEEN: Plaza Centers N.V. (hereinafter: **the "Company"**);

AND BETWEEN: The holders of the Bonds (Series A) (hereinafter: **"Bonds A"**) of the Company, by means of Hermetic Trust (1975) Ltd., by virtue of its role as Trustee of Bonds A (hereinafter: **"Trustee of Bonds A"**);

AND BETWEEN: The holders of Bonds (Series B) (hereinafter: **"Bonds B"**) of the Company, by means of Reznik Paz Nevo Trusts Ltd., by virtue of its role as Trustee of Bonds B (hereinafter: **"Trustee of Bonds B"**);

(The Company, Bonds Series A, Trustee of Bonds A, Bonds Series B, Trustee of Bonds B and/or anyone on behalf of all the aforementioned, will be referred to hereinafter as: **the "Parties"**)

WHEREAS:

- a. A dispute arose between the Parties regarding the considerations which were distributed (as defined hereinafter) and the considerations which will be distributed (as defined hereinafter), including as stated in the resolutions taken by Bonds A and by Bonds B which were published on Magna on September 26, 2017 (reference no: 2017-10-095142) and the pleadings which the Parties filed in the legal proceeding which was conducted in the case CF 64174-09-17 before the District Court of Tel Aviv Jaffa (hereinafter: **the "Legal Proceeding"**).
- b. On December 13, 2017 a ruling was issued in the Legal Proceeding (hereinafter: **the "Ruling"**), in which it was determined that for as long as Bonds A have not initiated proceedings according to section 7 of the Deed of Trust, the Company must act according to the provisions of the Debt Settlement approved in 2014 and which became valid in the month of December 2014 (hereinafter: **the "Debt Agreement"**) and the Deeds of Trust which apply to "early redemption".
- c. On December 21, 2017, resolutions taken by Bonds A were published on Magna, whereby it was decided to place the entire debt toward them for immediate repayment and to initiate legal proceedings (including insolvency proceedings), as well as to initiate appeal proceedings on the Ruling from December 2017 (reference no: 2017-10-118827).
- d. Further to the negotiations conducted between the Parties and their representatives, the agreements and conclusions set forth in this document hereafter (hereinafter: **the "Settlement Arrangement"**) are brought for the approval of the holders of the Bonds A and the holders of Bonds B and the Company.
- e. On January 10, 2018 a meeting of holders of Bonds A approved this Settlement Agreement in an extraordinary resolution pursuant to the provisions of section 25.2 of the Deed of Trust for Bonds A; likewise, on January 10, 2018 a meeting of holders of Bonds B approved this Settlement Agreement in an extraordinary resolution pursuant to the provisions of section 25.2 of the Deed of Trust for Bonds B; likewise, on _____ the Board of Directors of the Company approved this Settlement Agreement.

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Therefore, it was agreed, declared and stipulated between the Parties as hereinafter:

1. **Definitions** – In this Settlement Agreement, the terms stated hereinafter will have the meaning attributed to them hereinafter:

The "Deeds of Trust"	The Deed of Trust for Bonds A from November 26, 2014 with its amendments and the Deed of Trust for Bonds B from November 26, 2014 with its amendments.
The "Polish Bonds"	The bonds in Poland as defined in the Deeds of Trust.
The "Three Series"	Bonds A, Bonds B and the Polish Bonds.
"Realization Consideration"	The "Net Realization Consideration", as this term is defined in section 7.a.2 of the Deeds of Trust of Bonds A and Bonds B.
"Considerations Distributed"	All the payments which the Company paid to the holders of the Three Series from the date the Debt Agreement became valid until December 31, 2017, including interest payments and the Realization Considerations which the Company paid to the Three Series in the months of March, July and October 2017.
"Existing Considerations"	The Realization Considerations which have yet to be distributed to Bonds A and Bonds B as part of the payment carried out in the month of October 2017 (as stated in the report published on Magna on September 26, 2017).
"Additional Considerations"	Any additional consideration, of any type and sort (with the exception of payment of the interest to which that stated in section 5 hereinafter will apply), which the Company must pay to Bonds A only and/or to Bonds B only and/or to the Three Series according to the Debt Agreement and/or the Deeds of Trust, including (without detracting from the generality of the aforementioned) any additional realization considerations (beyond the Existing Considerations) which were received by the Company and have yet to be distributed to the Three Series and/or additional realization considerations which will be received by the Company in the future and/or any other payment which the Company had to pay to Bonds A or to Bonds B in accordance with the amortization schedules which currently exist. It is made clear that within the Additional Considerations are also included the additional considerations which will be distributed pursuant to that stated in section 6.2 below.
"Considerations which will be distributed"	The Existing Considerations and the Additional Considerations.
The "End of the Additional Period"	The earliest of the two following dates: (a) The date on which insolvency proceedings were initiated against the Company, including an application for liquidation, an application to appoint a functionary, an application to freeze proceedings etc.; or, whichever is earlier, (b) If the Company did not pay a payment it must pay to its bondholders on time, or notified that it will not pay it.

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2. **Waiver on Claims and Actions** - The Parties hereby waive toward each other (including toward the officers of the Company) in a final and absolute manner (including as part of insolvency proceedings) on any claim and/or demand and/or action regarding payment of the considerations distributed to the Three Series and/or regarding payment of the considerations which will be distributed according to the New Distribution Ratio (as defined hereinafter) and/or regarding any payment which will be paid to the holders of the Polish Bonds until the end of the Additional Period as stated in section 3 below in accordance with the provisions determined in this Settlement Agreement (instead of that determined in the Debt Agreement and the Deeds of Trust) and/or regarding all the breaches connected to making the payments (only) according to the Debt Agreement, for a period of until this Settlement Agreement becomes valid. Despite the aforementioned may it be made clear, that solely toward the Company's officers (and not toward the Company), the said waiver on any claim and/or demand and/or action will apply to any breach of the Debt Agreement for the period of until this Settlement Agreement becomes valid (and not only for a breach connected to making the payments). It is made clear that the aforementioned does not constitute any waiver whatsoever on the part of Bonds A and Bonds B regarding the Company's duty to carry out all the payments of the distributions which will be distributed pursuant to the provisions of this Settlement Agreement.
3. **Payment to the Polish Bonds** – Bonds A and Bonds B will not oppose the Company continuing to pay the Polish Bonds all the payments pursuant to the provisions of the Debt Agreement and the Deeds of Trust until full repayment of the Company's debt to the Polish Bonds, including the final payment determined in the existing amortization schedule (in the month of May 2018), in the event this is not repaid earlier from the Net Realization Considerations, including payment of the Additional Considerations according to the ratio of the balance of the deferred debt (as this term is defined in the Deeds of Trust), to wit 8.33% of all the Realization Considerations of the Additional Considerations, until the end of the Additional Period. It is made clear, that this agreement is contingent upon no claim and/or demand and/or action being raised by the Polish Bonds and/or anyone on their behalf toward any of the Parties, including regarding the considerations which were distributed and the considerations which will be distributed.
4. **The Existing Considerations** – The Company shall pay all the Existing Considerations to Bonds A and Bonds B only, as early as possible, and pursuant to a new distribution ratio – 39% to Bonds A and 61% to Bonds B (hereinafter: **the "New Distribution Ratio"**) – instead of the Distribution Ratio currently determined (between Bonds A and Bonds B) in the Deeds of Trust of Bonds A and Bonds B (hereinafter: **the "Previous Distribution Ratio"**). The provisions of section 7. a.3 of the Deeds of Trust will apply to this payment in the event it is not paid on the dates according to the new amortization schedules.

For example: If the Existing Considerations should be NIS 10,000 (after the payment already made to the Polish Bonds), the payment which the Company will make is NIS 3,900 to Bonds A and NIS 6,100 to Bonds B, and as aforementioned the Parties will not have any claim and/or demand and/or action regarding this payment which will be carried out according to the New Distribution Ratio.

5. **The Additional Considerations** – Until the end of the Additional Period, all the Additional Considerations (including those stated in section 6.2 below) – after deduction of the part of

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the Polish Bond in Realization Consideration (according to the ratio of the balance of the deferred debt, as this term is defined in the Deeds of Trust), to wit 8.33% of any Realization Consideration of the Additional Considerations), inasmuch as any exist (hereinafter: **the "Net Additional Considerations"**) – will be paid by the Company to Bonds A and Bonds B together and on the same dates only and only according to the New Distribution Ratio (despite anything stated otherwise in the Debt Agreement and the Deeds of Trust), to wit – 39% of any Net Additional Considerations will be paid to Bonds A and 61% of any Net Additional Considerations will be paid to Bonds B, and as aforementioned the Parties will not have any claim and/or demand and/or action regarding any payment which will be carried out according to the New Distribution Ratio as aforementioned. The provisions of section 7. a.3 of the Deeds of Trust will apply to this payment in the event it is not paid on the dates determined in the new amortization schedules. Despite everything stated above and below, it is hereby agreed by the Parties that the payment of the interests to Bonds A and Bonds B (with the additional of indexation differentials on the accumulated interest) will continue to be carried out to each of the series (together and on the same dates only) in accordance with the amount of the interest accumulated (with the addition of indexation differentials on the accumulated interest) according to the provisions presently determined in the Deed of Trust.

In accordance with the aforesaid, and without detracting from the Company's duty according to the Deeds of Trust to carry out an early redemption in any event in which Net Realization Considerations should be received, the dates for carrying out the payments and the amounts of the payments to Bonds A and Bonds B will be amended as stated in the updated amortization schedules of Bonds A and Bonds B in accordance with the provisions of this Settlement Agreement, which are appended as **Appendix 1** of this Agreement and will be submitted to the Stock Exchange, and if required the Company will issue documents required (including new Bond Certificates) which will reflect the aforementioned change in the payment schedules.

For example: (a) In a case in which the Net Realization Considerations are at the sum of NIS 10,909 (after payment of interest according to the mechanism currently determined in the Deeds of Trust), and there is still a debt to the Polish Bond, then despite anything stating otherwise in the Debt Agreement and the Deeds of Trust, the aforementioned Net Realization Considerations will be paid as follows – NIS 909 will be paid to the Polish Bond, the Net Additional Considerations will be NIS 10,000, NIS 3,900 will be paid to Bonds A and NIS 6,100 will be paid to Bonds B; (b) If, according to the Debt Agreement and the Deeds of Trust, the Company must pay NIS 50 to Bonds A and NIS 50 to Bonds B, then despite anything stating otherwise in the Debt Agreement and the Deeds of Trust, NIS 39 will be paid to Bonds A and NIS 61 will be paid to Bonds B; (c) If, according to the Debt Agreement and the Deeds of Trust, the Company must make some payment to one of the two series (Bonds A or Bonds B), for example NIS 100, then despite anything stating otherwise in the Debt Agreement and the Deeds of Trust, NIS 39 will be paid to Bonds A and NIS 61 will be paid to Bonds B.

6. **Additional Provisions:**

6.1. In place of the Additional Considerations which Bonds A and Bonds B are entitled to receive due to the Casa Radio asset according to the provisions determined in sections

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3.4 of Amendment no. 1 of the Deeds of Trust (as signed on November 30, 2016), Bonds A and Bonds B will be entitled to higher considerations, in accordance with that stated in **Appendix 2** of this Settlement Agreement.

- 6.2. **Increase in the Additional Considerations:** The Company undertakes that it will enlarge, as soon as possible, the rate of the Net Realization Considerations (as defined in the Deeds of Trust) which have yet to be received by the Company and which will be distributed to the bondholders, to the highest rate possible (in any event the rate will be no less than 75%), while leaving balances required in order to operate the Company and pay interests to the Three Series, and this rate will be published by the Company by January 15, 2018. In addition to the payment that the Company must carry out to the Three Series due to their part of the Net Realization Consideration which have already been received by the Company and have yet to be distributed to the Three Series as stated in this section above, on the same date (the Company will publish a report on Magna about the date of the payment), the Company will pay and distribute to the Three Series from the Company's sources an additional sum in early redemption at the sum of EUR 6 million). Any additional amount which will be available for distribution due to said enlarging of the rate (to wit, any sum which stems from the difference between the rate published by the Company and 75%, as well as the said additional sum of EUR 6 million) will constitute, as aforementioned, part of the Additional Considerations (as defined in section 1 above), and will be paid to the Three Series in accordance with the provisions determined in sections 3 and 5 above.
- 6.3. As of January 1, 2018, and for as long as the debt toward Bonds A and/or Bonds B is not placed for immediate repayment and for as long as the Company publishes the presentation (as defined below) on the dates determined below, the Company will not be required, by virtue of the Deeds of Trust, to publish financial statements for first quarter and/or third quarter of each calendar year. The Company undertakes to publish semi-annual financial statements, which will be published each year in the months of March and August, and in addition the Company undertakes to publish, each year in the months of March, May, August and November, a detailed presentation (above and hereinafter: **the "Presentation"**), including a contractual cash flow for as long a period as possible, together with the Company's estimates regarding the Company's ability to comply with it, and a declaration of the Company regarding the rate of the coverage ratio (as defined in section 7.1.5 of the Deeds of Trust). In accordance with that stated in this section, all the provisions of the Deeds of Trust which are connected to examinations derived from the Company's financial statements (including grounds for immediate repayment) will be adjusted to the dates above including examining the coverage ratio (as defined in the Deeds of Trust), which will be carried out in accordance with the financial statement and the Presentation which the Company will publish on the aforementioned dates (accordingly, the examination of the coverage ratio will be continue to be carried out on every calendar quarter, according to the aforementioned financial statement or Presentation, and based on the data published by the Company in the statements and/or the Presentation, as applicable).
- 6.4. The Bond A resolutions which were published in Magna on September 26, 2017 and December 21, 2017 (reference numbers: 2017-10-095142 and 2017-10-118827) will be

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null and void and the provisions determined in this Settlement Agreement will apply in their stead. In accordance, the Bonds A Notice about the placing of the debt toward them for immediate repayment will be cancelled and the legal proceedings initiated by Bonds A in the Netherlands will be cancelled.

- 6.5. The Company undertakes that by no later than 7 business days from the date this Settlement Agreement becomes valid, all the Company's securities which were removed from trade will be returned to trade as they were traded until the date on which the debt toward Bonds A was placed for immediate repayment. It is made clear, that a breach of this undertaking will constitute grounds for placing the debt for immediate repayment.
- 6.6. It is made clear, that this Settlement Agreement does not come to detract from the rights of Bonds A and/or Bonds B to initiate proceedings and/or to place the debt toward them for immediate repayment, in accordance with the provisions determined in the Debt Agreement and the Deeds of Trust, and this includes according to the grounds determined in section 7.1.8 of the Deeds of Trust, no change will take place to the provisions determined in this regard as aforementioned, with the exception of provisions expressly promulgated in this Settlement Agreement (such as the provision of sections 7.1.4 of the Deeds of Trust).
- 6.7. Regarding the Ruling: (a) It is made clear, that the Company will not carry out distributions pursuant to the Ruling, but only pursuant to that stated in this Settlement Agreement and no claims, demands and/or actions will be raised against the Company and the Company's officers and/or toward any of the other Parties in this matter; (b) Bonds A will not initiate appeal proceedings on the Ruling and there will be no validity to the Ruling in the relationship between the Parties and it will be considered null and void, and only the provisions of this Settlement Agreement will apply.
7. **Preconditions** – This Settlement Agreement becoming valid is contingent upon compliance with all the (cumulative) preconditions as stated below (hereinafter: **the "Preconditions"**):
 - 7.1. By no later than January 10, 2018, approval will be received that the Company's Board of Directors approved its agreement to the Settlement Agreement and its provisions, including to the Company signing the Settlement Agreement.
 - 7.2. By no later than January 10, 2018, a meeting of holders of Bonds A will approve, in an extraordinary resolution (as this term is defined in section 1.6 of the Deed of Trust of Bonds A and according to the provisions of section 25.2 of the Deed of Trust of Bonds A), for Trustee of Bonds A to agree to the Settlement Agreement, including to instruct the Trustee of Bonds A to sign the Settlement Agreement, and on any other document required in order to implement this Settlement Agreement.
 - 7.3. By no later than January 10, 2018, a meeting of holders of Bonds B will approve, in an extraordinary resolution (as this term is defined in section 1.6 of the Deed of Trust of Bonds B and according to the provisions of section 25.2 of the Deed of Trust of Bonds A), for Trustee of Bonds B to agree to the Settlement Agreement, including to instruct the Trustee of Bonds B to sign the Settlement Agreement, and on any other document required in order to implement this Settlement Agreement.

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- 7.4. The Company will publish an immediate report regarding the fulfillment (or lack thereof) of all the Preconditions, by no later than January 11, 2018.
8. Subject to the fulfillment of all the Preconditions and as of the date on which the Company published an immediate report regarding the fulfillment of all the Preconditions, this Settlement Agreement will be appended as an appendix to the Deeds of Trust and will constitute an integral part of the provisions of the Deed of Trust of Bonds A and of the provisions of the Deed of Trust Bonds B. In any case of contradiction between the provisions of this Settlement Agreement and the provisions of the aforementioned Deeds of Trust, the provisions of the Settlement Agreement will prevail. Unless expressly stated otherwise in this Settlement Agreement, all the terms mentioned in this Settlement Agreement will be given the meaning determined for them in the Deeds of Trust.
9. Any amendment to this Settlement Agreement, including by means of an amendment to the Deeds of Trust regarding matters determined in this Settlement Agreement, will be contingent upon the advanced approval of each of the Parties to this Settlement Agreement, when the agreement of holders of Bonds A and holders of Bonds B to any aforementioned amendment will be taken in accordance with the resolution required (including the required majority) to amend the Deeds of Trust.
10. **Clarification** – This Settlement Agreement is placed for voting and approval of the Parties as stated in section 7 above, on the basis of the express and fundamental agreement, whereby if the Preconditions, or some thereof, should not be fulfilled in their entirety and on their date, this Settlement Agreement will be null and void, as if never made, and that none of the Parties and/or anyone on their behalf, will be permitted to present this document in legal proceedings and/or to rely on it and/or to make claims regarding it, and this Settlement Agreement and/or any of its provisions are not and will not be seen as an admission and/or agreement and/or waiver to any matter whatsoever.

Plaza Centers N.V.

Hermetic Trusts (1975)
Ltd.

Reznik Paz Nevo Trusts
Ltd.

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Appendix 1

Updated amortization schedules for Bonds A and Bonds B in accordance with the provisions of the Settlement Agreement

Bond A				
Date	Interest Rate (*)	Par Value (NIS)	Principal Payments (**) (NIS)	Accumulating Principal Payments (NIS)
07/01/2018	3%	16,200,524	19,345,231	19,345,231
12/31/2018	3%	50,137,299	59,869,522	79,214,753
07/01/2019	3%	50,137,299	59,869,522	139,084,274
12/31/2019	3%	3,453,964	4,124,416	143,208,690
07/01/2020	3%	46,683,336.92	55,745,106	198,953,796
Total		166,612,422.92	198,953,796	
Bonds B				
Date	Interest Rate (*)	Par Value (NIS)	Principal Payments (**) (NIS)	Accumulating Principal Payments (NIS)
07/01/2018	3.45%	26,129,1500.6	30,257,925	30,257,925
12/31/2018	3.45%	80,865,599.8	93,642,072	123,899,998
07/01/2019	3.45%	80,865,599.8	93,642,072	217,542,070
12/31/2019	3.45%	5,570,743.2	6,450,901	223,992,971
07/01/2020	3.45%	58,129,186.0	67,313,387	291,306,358
Total		251,560,679.51	291,306,358	

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Total Payments for Both Series

Date	Principal Payments (**) (NIS)	Accumulating Principal Payments (NIS)
07/01/2018	46,603,156	49,603,156
12/31/2018	153,511,594	203,114,750
07/01/2019	153,511,594	356,626,344
12/31/2019	10,575,316	367,201,661
07/01/2020	123,058,493	490,260,154
Total	490,260,154	

(*) Bi-annual interest rate linked to the Consumer Price Index

(**) Payments of principal of Bonds A index linked for May 2007, as published on June 15, 2007.

Payment of principal of Bonds B index linked to the index for December 2007, as published on January 15, 2008.

The updated principal payments according to the index for the month of November 2017 as published on December 15, 2017.

The principal payments are solely an indication.

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Appendix 2

In this Appendix, the following terms will have the meaning which appears alongside them:

The "Subsidiaries", means: corporations through which the Company holds the project (hereinafter: **the "Subsidiaries"**).

The "Project", means: The Casa Radio Project in Romania, which is owned by the Company (including by means of the Subsidiaries).

"Realization Event", means: (a) Sale of the Project or part thereof by the Company, directly and/or indirectly (including (but not only) by means of sale of the Company's holdings in one of the Subsidiaries, sale of rights of the Company and/or the Subsidiaries to receive considerations from the Project, etc.); and/or if the Company should receive, directly and/or indirectly, financing and/or a loan regarding the Project which are not a loan/financing for direct payment only for the expenses of establishing the Project; and/or change in the Company's holdings in the Project, directly and/or indirectly, including a change in the Company and/or the Subsidiaries' rights to receive considerations regarding the Project; (b) In the event The Project has been established and is no longer an entrepreneurial asset (including in the event that the Project becomes presented in the Company's books as investment property instead of as a trading property and/or that the work to establish the Project ended and it has become a profit generating asset).

"Final Realization Event" means the date on which the Company realized its full rights to the Project (as stated in subsection "(a)" in the definition of a Realization Event above), or the Project was established (as stated in subsection "(b)" in the definition of a Realization Event above).

"Net Value of the Project", means: the consideration received for a Realization Event, after payment of brokerage fees (if any should exist), tax, fees, levies, or any other mandatory payment which is owed to any authority whatsoever due to a "Realization Event" (as defined above).

1. In the event in which a Realization Event should occur as stated in subsection "(a)" in the definition of a Realization Event above, the "Net Value of the Project" for the purposes of payment of the "Addition" (as defined below) will be determined in accordance with the transaction carried out. In the event in which a Realization Event occurred as stated in subsection "(b)" in the definition of a Realization Event, the "Net Value of the Project" for the purposes of payment of the addition will be determined in accordance with an evaluation by an expert whose identity will be agreed on by the Company and by the Trustee of Bonds A and Trustee of Bonds B.
2. On every date in which a Realization Event occurs (until the date of a Final Realization Event) which indicates that all the Company's rights in the Project have the cumulative net project value of over EUR 40 (forty) million, holders of Bonds A and holders of Bonds B will be entitled to an Upside payment (hereinafter: **the "Addition"**) (which is addition to the principal and interest payments according to the amortization schedule), for the relative part of the Project regarding which the Realization Event occurred until the occurrence of a Final Realization Event, in accordance with the ratio between the two series (pro rata to the part of each series in the overall debt of both series as it was

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prior to the date of the payment of the relevant payment (prior to the date the considerations for the Realization Event were paid, including payments on account of the principal of the Bonds), and in the event in which payment of the Addition is carried out after final redemption has already been carried out for both series – pro rata to the part of each series in the general debt of both series as it was the day before the final redemption was carried out), and in accordance with the amounts stated in the following chart (which will bear linkage differentials to the index¹ and annual interest at a rate of 5% for the period of from January 1, 2018 until the date the Addition is actually paid):

Net Value of the Project (EUR)	The amount of the payment of the Addition (in NIS) to the bondholders², as of January 1, 2018, when each of the amounts stated hereinafter will bear linkage differentials to the index³ and interest at an annual rate of 5% for the period which begins on January 1, 2018 until the actual date the Addition is paid
40,000,001 – 45,000,000 (inclusive)	Between 1 and 3,717,450 (linear according to the net value of the payment)
45,000,001 – 55,000,000 (inclusive)	Between 3,717,451 and 12,804,548 (linear according to the net value of the payment)
55,000,001 – 65,000,000 (inclusive)	Between 12,804,549 and 23,543,848 (linear according to the net value of the payment)
65,000,001 – 75,000,000 (inclusive)	Between 23,543,849 and 35,935,346 (linear according to the net value of the payment)
75,000,001 – 85,000,000 (inclusive)	Between 35,935,347 and 49,979,044 (linear according to the net value of the payment)
85,000,001 – 95,000,000 (inclusive)	Between 49,979,045 and 65,674,944 (linear according to the net value of the payment)
95,000,001 – 105,000,000 (inclusive)	Between 65,674,945 and 83,023,042 (linear according to the net value of the payment)

¹ The base index for these purposes is the index for the month of November 2017 which was published on December 15, 2017, and the payment index will be the index known on the date the Addition is actually paid. Notwithstanding the above, in the event the said payment index is lower than the said base index, the payment index will be the base index.

² The one-time amount will be considered payment of the interest on the principal of the bonds.

³ The base index for these purposes is the index for the month of November 2017 which was published on December 15, 2017, and the payment index will be the index known on the date the Addition is actually paid. Notwithstanding the above, in the event the said payment index is lower than the said base index, the payment index will be the base index.

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105,000,000 – 115,000,000 (inclusive)	Between 83,023,043 and 102,023,340 (linear according to the net value of the payment)
115,000,000 and over	102,023,341

3. For example (purely for purposes of illustration):

On June 1, 2018 the Company will sell 50% of its rights in the Project to a third party in exchange for EUR 22.5 million, and the payment of the Addition to the bondholders for such will be carried out on July 1, 2018; on December 31, 2018 the Company will receive financing for its remaining rights in the Project at the sum of EUR 22.5 million, and the payment of the Addition to the bondholders for such will be carried out on January 30, 2019; on July 1, 2020 the final redemption of the Bonds (Bonds A and Bonds B) will be carried out; on May 1, 2025 a Final Realization Even will occur, by which the value of the Company's remaining part in the Project is EUR 32.5 million.

The payment of the Addition paid by the Company to the bondholders (Series A and Series B) will be as follows:

- 3.1. On July 1, 2018 the Company will pay NIS 1,858,725 to the bondholders (with the addition of index linkage differentials and annual interest at the rate of 5% for the period from January 1, 2018 until July 1, 2018) for the first Realization Event. This payment will be paid to the bondholders as additional interest (as stated in section 4.2 below) and will be distributed between the holders of Bonds A and the holders of Bonds B pro rata in accordance with the ratio of the debt between the two series as it was on June 30, 2018 (prior to the date of payments of the considerations for the Realization Event, including payments on account of the principal of the Bonds).
- 3.2. On January 30, 2019 the Company will pay a further NIS 1,858,725 to the bondholders (with the addition of index linkage differentials and annual interest at the rate of 5% for the period from January 1, 2018 until January 1, 2019) for the second Realization Event. This payment will also be paid to the bondholders as additional interest (as stated in section 4.2 below) and will be distributed between the holders of Bonds A and the holders of Bonds B pro rata in accordance with the ratio of the debt between the two series as it was on January 29, 2019 (prior to the date of payments of the considerations for the Realization Event, including payments on account of the principal of the Bonds).
- 3.3. Holders of Bonds A or holders of Bonds B who hold the Bonds on July 1, 2020 will be those entitled to receive the payment of the Addition for the third (final) Realization Event which will be paid later ("entitled to the payment of the addition" as defined in section 4.4 below).
- 3.4. Soon after May 1, 2025 the Company will pay the additional sum equal to 11,771,924 to the bondholders for the third and final Realization Event (with the addition of index linkage differentials and annual interest at the rate of 5% for the period from January 1, 2018 until the date payment is actually made), after deduction of the sum paid by the Company to the bondholders for the second Realization Event

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as aforementioned. This amount will be paid to "those entitled to the payment of the addition" as defined in section 4.5 below, and will be divided between those "entitled to the payment of the addition" who held Bonds A on the date of the final redemption and those "entitled to the payment of the addition" who held Bonds B on the date of the final redemption pro rata in accordance with the ratio of the debt between the two series as it was on June 30, 2020 (the day before the date the final repayment was made).

4. In addition, in the event the terms which entitle the bondholders to the payment of the addition are fulfilled, the following provisions will apply:
 - 4.1. In the event in which a Realization Event (including a Final Realization Event) should occur prior to the date on which the final redemption of the Bonds is made – the payment of the Addition will be made as part of the first payment made by the Company to the bondholders following the date of the Realization Event or as soon as possible after the date on which the Realization Event took place (whichever is earlier), but in any event not before the date of the final redemption of the Bonds in Poland, and subject to the relevant provisions in the Deeds of Trust in the Stock Exchange Regulations and the instructions promulgated thereunder and subject to the provisions of section 4.2 below;
 - 4.2. Payment of the addition aforementioned in subsection 4.1 above will be considered additional interest to that determined in the Deeds of Trust for the unpaid balance of the principal of the Bonds which accumulated until that date, in a manner that on the date of payment the Company will pay a sum which includes both the payment of the addition and the interest on the balance of the unpaid principal on said date; prior to the determining date for payment of the interest, the Company will notify in an immediate report about: (1) The amount of the one-time payment which the bondholders are entitled to in accordance to the provisions of this section above; (2) The rate of interest which the Bonds bear and which is meant to be paid on the next interest payment date; (3) The proportion that the sum of the one-time payment constitutes in relation to the unpaid balance of the Bonds; (4) The rate of weighted interest which will be paid to the bondholders on the next interest payment date, which is derived from that stated in subsections (2) and (3) above.
 - 4.3. Payment of the addition is subordinate to the principal and interest payments to the creditors of the Project in a manner in which it will actually be carried out following repayment of the entire debt toward the holders of the Company's bonds in Poland.
 - 4.4. In the event a Realization Event (including a Final Realization Event) should occur after the date on which final redemption of Bonds A and Bonds B is carried out – the payment of the addition will be paid to those "entitled to the payment of the addition" (as defined below).
 - 4.5. May it be made clear, in order to dispel doubt, that the provisions of this Appendix and the entitlement of the bondholders to receive the additional payment (including for a Final Realization Event) will not expire and will not be cancelled on the date of the full repayment of the Bonds (Bonds A and/or Bonds B), and in the event that

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a Final Realization Event has yet to occur on the date of the final redemption of Bonds A or Bonds B, the following provisions will apply:

- 4.5.1. Prior to carrying out the final redemption of Bonds A or Bonds B, the Company shall take action to receive Court orders ordering the Stock Exchange and the members of the Stock Exchange to provide the Trustees with a list containing the details of all the bondholders (which will include names, I.D. numbers, details of their bank accounts, as well as the quantity of the holdings of each of the holders of Bonds A and/or Bonds B) (hereinafter: **the "List"**), who held the Bonds on the date of the final redemption of the Bonds (hereinafter, respectively: **"determining date for those entitled to payment of the addition"** and **"entitlement to payment of the addition"**), and will make any possible effort for the orders to include an instruction to the members of the Stock Exchange and the Stock Exchange to save the list in order to carry out payments of the addition.
- 4.5.2. The Trustees will manage a register of those entitled to the payment of the addition who held on the determining date for those entitled to payment of the addition, and any payment which is received for a Realization Event will be transferred by the Company to the Trustee and will be distributed to those entitled to payment of the addition solely in accordance with the list, and if possible, by means of members of the Stock Exchange.
- 4.5.3. All the provisions of the Deeds of Trust will apply to the relationship between the Company and the Trustees and those entitled to payment of the addition, respectively, including regarding convening meetings and taking resolutions, the authority of the Trustee to employ agents, payments of the Trustee's costs and those of the Trustee's agents by the Company, offsetting in favor of the Trustee (and the Trustee's agents), and provisions of exemption and indemnity to the Trustee.