
STOCK PURCHASE AGREEMENT

BY AND AMONG

[BUYER],

[TARGET COMPANY],

THE SELLERS LISTED ON SCHEDULE I HERETO

AND

THE SELLERS' REPRESENTATIVE NAMED HEREIN

Dated as of [●]

[This document is intended solely to facilitate discussions among the parties identified herein. Neither this document nor such discussions are intended to create, nor will either or both be deemed to create, a legally binding or enforceable offer or agreement of any type or nature, unless and until a definitive written agreement is executed and delivered by each of the parties hereto.]

This document shall be kept confidential pursuant to the terms of the Confidentiality Agreement entered into by the parties and, if applicable, its affiliates with respect to the subject matter hereof.]

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EXHIBITS

EXHIBIT

A Allocation Statement

SCHEDULES

I List of Shareholders, Optionholders and Warrantholders

STOCK PURCHASE AGREEMENT

THIS STOCK PURCHASE AGREEMENT (this “Agreement”) is made and entered into as of [●] by and among [PARENT], a [●] corporation (“Parent”), [BUYER], a Delaware corporation and a wholly owned subsidiary of Parent (“Buyer”),¹ [TARGET COMPANY], a Delaware corporation (the “Company”), each of the holders of outstanding shares of capital stock of the Company listed on Schedule I hereto (respectively, the “Shareholders” or the “Sellers”),² and [●], in [his/her/its] capacity as the Sellers’ Representative.³

RECITALS

WHEREAS, the Shareholders own all of the outstanding shares of Common Stock, par value \$0.01 per share, of the Company (such common stock being referred to herein as the “Common Stock” and such outstanding common shares being referred to herein as the “Common Shares”) and all of the outstanding shares of Preferred Stock, par value \$0.01 per share, of the Company (such preferred stock being referred to herein as the “Preferred Stock” and such outstanding preferred shares being referred to herein as the “Series A-1 Preferred Shares” or “Series A-2 Preferred Shares” and, collectively, the “Preferred Shares” and, collectively with the Common Shares, the “Shares”);

WHEREAS, the holders of outstanding options and warrants to purchase capital stock of the Company (the “Optionholders” and “Warrantholders”, respectively) own all of the issued and outstanding options and warrants to acquire Common Stock (the “Options” and “Warrants”, respectively);

WHEREAS, the Shares, Options and Warrants (collectively, the “Securities”) together constitute all of the outstanding Equity Interests (as defined below) in the Company;

WHEREAS, Buyer desires to purchase from the Shareholders, and the Shareholders desire to sell to Buyer, at the Closing (as defined below) all of the Shares⁴ upon the terms and subject to the conditions set forth in this Agreement; and

WHEREAS, the parties further desire that all of the Options and Warrants be cancelled at the Closing and, in consideration of such cancellation, the holders of Vested Options and Warrants shall receive the amounts and rights provided for herein, all upon the terms and subject to the conditions set forth in this Agreement.⁵

¹ **Note to draft:** Buyer entity to be confirmed.

² **Sellers NTD:** Inclusion of option and warrant holders as parties to the Agreement is not warranted. (Vested optionholders and warrantholders will execute option\warrants cancellation acknowledgments)

³ **Note to draft:** Acquisition structure is subject to ongoing diligence and analysis.

⁴ **Sellers NTD:** Treatment of the outstanding Warrant should be similar to the treatment of a Vested Option but without the portion of the consideration payable in Parent’s equity (i.e., to be terminated in exchange for a cash payment).

⁵ **Note to draft:** Treatment of options to be discussed.

AGREEMENT

NOW THEREFORE, in consideration of the premises and mutual promises herein made, and in consideration of the representations, warranties and covenants herein contained, the parties to this Agreement hereby agree as follows:

ARTICLE I DEFINITIONS; CERTAIN RULES OF CONSTRUCTION

Section 1.01 Definitions. In addition to the other terms defined throughout this Agreement, the following terms shall have the following meanings when used in this Agreement:

["Accounting Principles" means GAAP as in effect on the Most Recent Balance Sheet Date and, to the extent consistent with GAAP, using the same accounting methods, principles, practices, procedures and estimation methodologies as those utilized in the preparation of the Most Recent Balance Sheet].

"Acquired Companies" means, collectively, the Company and each of its Subsidiaries.

"Action" means any claim, action, suit, litigation, mediation, arbitration, known investigation, known opposition, interference, audit, assessment, hearing, complaint, charge, demand or other legal proceeding (whether sounding in contract, tort or otherwise, whether civil or criminal and whether brought at law or in equity) that is commenced, brought, conducted, tried or heard by or before, or otherwise involving, any Governmental Authority.

"Affiliate" means, with respect to any specified Person, any other Person directly or indirectly controlling, controlled by, or under direct or indirect common control with such specified Person. For purposes of the foregoing, a Person shall be deemed to control a specified Person if such Person (or a Family Member of such Person) possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such specified Person.

"Ancillary Agreements" means the Escrow Agreement, the Option Cancellation Acknowledgments, and [and the Employment Agreements].

"Anti-Corruption Laws" means any applicable laws, regulations, or orders relating to anti-bribery or anti-corruption (governmental or commercial), including, without limitation, the U.S. Foreign Corrupt Practices Act of 1977 (as amended).

"Anti-Money Laundering Laws" means any applicable laws, regulations, rules or guidelines relating to money laundering, including, without limitation, financial recordkeeping and reporting requirements; such as, without limitation, applicable Israeli law, the U.S. Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Public Law 107-56, the U.S. Currency and Foreign Transaction Reporting Act of 1970 (as amended), and the U.S. Money Laundering Control Act of 1986 (as amended).

"Business" means the businesses conducted by the Acquired Companies as of the date hereof.

“Business Day” means any day other than a Friday, Saturday or a Sunday or a weekday on which banks in San Francisco, California, USA and Tel Aviv, Israel are authorized or required to be closed.

“CARES Act” means, collectively, the U.S. Coronavirus Aid, Relief, and Economic Security Act or any similar current or successor applicable federal, state, or local Law, as may be amended, including any presidential memoranda or executive orders, relating to the COVID-19 pandemic, as well as any applicable guidance (including without limitation, IRS Notice 2020-65, 2020-38 IRB and the Presidential Memorandum on Deferring Payroll Tax Obligations in Light of the Ongoing COVID-19 Disaster issued on August 8, 2020, the Consolidated Appropriations Act, 2021, the Health and Economic Recovery Omnibus Emergency Solutions Act and the Health Economic Assistance, Liability, and Schools Act).

“Change of Control Payment” means (a) any bonus, unfunded severance or other payment or other form of Compensation that is created, accelerated, accrues or becomes payable by any Acquired Company to any present or former director, stockholder, employee, consultant or other individual service provider thereof, including pursuant to any employment agreement, benefit plan or any other Contractual Obligation, including the employer portion of any Taxes payable on or triggered by any such payment calculated without regard to any deferral available under the CARES Act (other than any payment or consideration payable under this Agreement or any Ancillary Agreement, including the payment of the Retention Amount or Employees Closing Bonus Amount), but specifically excluding any severance that becomes payable as a result of a claim for constructive dismissal or breach of Contractual Obligation arising out of the conduct of the Acquired Companies or their respective officers, employees or Affiliates after Closing, and (b) without duplication of any other amounts included within the definition of Seller Transaction Expenses, any other payment, expense or fee that accrues or becomes payable by any Acquired Company to any Governmental Authority or other Person under any applicable Legal Requirement or Contractual Obligation, including in connection with the making of any filings, the giving of any notices or the obtaining of any consents, authorizations or approvals, in the case of each of (a) and (b), as a result of the execution and delivery of this Agreement or the consummation of the Contemplated Transactions.

“Closing Cash Amount” means the sum of all cash and cash equivalents of the Acquired Companies as of immediately prior to the Closing, less (without duplication) the amount of outstanding checks as of the Closing.

“Closing Debt Amount” means the amount of Debt of the Acquired Companies (disregarding Debt of any Acquired Company to another Acquired Company) as of immediately prior to the Closing determined without giving effect to any reduction to such amount occurring as a result of the repayment of Debt on the Closing Date.

“Closing Cash Consideration” means an amount equal to (i) \$50,000,000, minus (ii) the Escrow Amount, minus (iii) the Closing Debt Amount, plus (iv) the Closing Cash Amount, minus (v) the sum of all Seller Transaction Expenses.

“Code” means the U.S. Internal Revenue Code of 1986.

“Company Intellectual Property” means all Intellectual Property owned or purported to be owned by, or exclusively licensed or purported to be exclusively licensed to, any Acquired Company.

“Company’s Knowledge,” “Knowledge of the Company” and similar formulations mean that one or more of [●],[●],[●],[●] and [●] had actual knowledge of such fact or other matter after reasonable investigation of all employees of the Acquired Companies reasonably expected to have actual knowledge of such fact or matter.

“Company Securityholders” means, collectively, the Company Shareholders and the holders of Vested Options and Warrants.

“Compensation” means, with respect to any Person, all salaries, consulting fees, compensation, remuneration, commissions, bonuses, separation payments, rights or benefits of any kind or character whatsoever (including issuances or grants of Equity Interests), made directly or indirectly by an Acquired Company to or for the benefit of such Person or any Family Member of such Person, as consideration for services performed by such Person as an employee or dependent service provider.

“Contemplated Transactions” means the transactions contemplated by this Agreement, including (a) the purchase and sale of the Shares, the cancellation of the Options and Warrants and the other transactions described in the recitals to this Agreement, (b) the execution, delivery and performance of the Ancillary Agreements by the Acquired Companies and (c) the payment of fees and expenses by the Acquired Companies relating to such transactions.

“Contractual Obligation” means, with respect to any Person, any contract, agreement, custom, policy, collective bargaining agreement or arrangement, deed, mortgage, lease, sublease, license, sublicense or other commitment, promise, undertaking, obligation, arrangement, instrument or understanding, whether written or oral, to which or by which such Person is a party or otherwise subject or bound or to which or by which any property, business, operation or right of such Person is subject or bound.

“Debt” means, with respect to any Person, and without duplication, all Liabilities, including all obligations in respect of principal, accrued interest, penalties, fees and premiums (including, for the avoidance of doubt, any such penalties, fees and premiums arising from the early termination of such Debt on the Closing Date), of such Person (a) for borrowed money (including amounts outstanding under overdraft facilities), (b) evidenced by notes, bonds, debentures or other similar Contractual Obligations, (c) in respect of letters of credit and bankers’ acceptances, (d) for Contractual Obligations relating to interest rate protection, swap agreements and collar agreements, in each case, to the extent payable if such Contractual Obligation is terminated at the Closing, and (e) in the nature of Guarantees of, or liens on assets of such Person to secure (regardless of whether assumed by such Person), the obligations described in clauses (a) through (d) above of any other Person that is not an Acquired Company.

“Employee Plan” means any plan, program, policy, agreement, arrangement, practice, workers’ benefits or Contractual Obligation, whether or not reduced to writing, whether or not subject to ERISA, and whether covering a single individual or a group of individuals, that is (a) a

welfare plan within the meaning of Section 3(1) of ERISA, (b) a pension benefit plan within the meaning of Section 3(2) of ERISA or a pension arrangement, disability benefit and any other provident fund (including study fund), (c) a vacation benefit, a stock bonus, stock purchase, stock option, restricted stock, stock appreciation right or similar equity-based plan, program, policy, agreement, arrangement, practice, workers' benefits or Contractual Obligation, including without limitation the Company Stock Plans, or (d) a deferred-compensation, retirement, termination pay, severance, change in control, retention, welfare-benefit, travel and car benefits, work permits, paid time off, holiday, recreation, sickness benefits, leave of absence, health and welfare, cafeteria, supplemental retirement, fringe benefit, employee loans, salary continuation, relocation benefits, child/dependent care benefits, sabbatical, reimbursement, bonus, profit-sharing, incentive, commissions, premiums, royalties, performance awards, stock options, stock purchase, phantom stock, stock appreciation, employment or consulting or other compensation or benefit plan, program, policy, agreement, arrangement, practice, workers' benefits or Contractual Obligation.

"Encumbrance" means any charge, claim, community or other marital property interest, equitable or ownership interest, lien, license, option, pledge, security interest, mortgage, deed of trust, right of way, easement, encroachment, servitude, right of first offer or first refusal, buy/sell agreement and any other restriction or covenant with respect to, or condition governing the use, construction, voting (in the case of any security or Equity Interest), transfer, receipt of income or exercise of any other attribute of ownership (other than, in the case of a security, any restriction on the transfer of such security arising solely under federal and state securities laws).

"Enforceable" means, with respect to any Contractual Obligation stated to be Enforceable by or against any Person, that such Contractual Obligation is a legal, valid and binding obligation of such Person enforceable by or against such Person in accordance with its terms, except to the extent that enforcement of the rights and remedies created thereby is subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws of general application affecting the rights and remedies of creditors and to general principles of equity (regardless of whether enforceability is considered in a proceeding in equity or at law).

"Environmental Laws" means any Legal Requirement relating to (a) releases or threatened releases of Hazardous Substances, (b) pollution or protection of public health or the environment or worker safety or health or (c) the manufacture, handling, transport, use, treatment, storage, or disposal of Hazardous Substances.

"Equity Interest" means, with respect to any Person, (a) any capital stock, partnership or membership interest, unit of participation or other similar interest (however designated) in such Person and (b) any option, warrant, purchase right, conversion right, exchange right or other Contractual Obligation which would entitle any other Person to acquire any such interest in such Person or otherwise entitle any other Person to share in the equity, profits, earnings, losses or gains of such Person (including stock appreciation, phantom stock, profit participation or other similar rights).

"Escrow Amount" means, \$1,000,000

“Facilities” means any buildings, plants, improvements or structures located on the Real Property.

“Family Member” means, with respect to any individual, (a) such Person’s spouse, (b) each parent, brother, sister or child of such Person or such Person’s spouse, (c) the spouse of any Person described in clause (b) above, (d) each child of any Person described in clauses (a), (b) or (c) above, (e) each trust created for the benefit of one or more of the Persons described in clauses (a) through (d) above and (f) each custodian or guardian of any property of one or more of the Persons described in clauses (a) through (e) above in his or her capacity as such custodian or guardian.

“Fully-Diluted Common Share Number” means the total number of issued and outstanding shares of Common Stock immediately prior to the time of the Closing assuming the exercise in full of all Vested Options and Warrants that are outstanding at such time.

“GAAP” means generally accepted accounting principles in the United States as in effect from time to time.

“Government Order” means any order, writ, judgment, injunction, decree, stipulation, ruling, decision, verdict, determination or award made, issued or entered by or with any Governmental Authority.

“Governmental Authority” means any United States federal, state or local or any Israeli or foreign government, or political subdivision thereof, or any multinational organization or authority, or any other authority, agency or commission entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power, any court or tribunal (or any department, bureau or division thereof), or any mediator, arbitrator or arbitral body.

“Governmental Grant” means any grant, incentive, subsidy, award, participation, exemption, status, cost sharing arrangement, reimbursement arrangement or other benefit, relief or privilege provided or made available by or on behalf of or under the authority or funding of any Governmental Authority, including, without limitation, the IIA.

“Guarantee” means, with respect to any Person, (a) any guarantee of the payment or performance of, or any contingent payment obligation in respect of, any Debt or other Liability of any other Person, (b) any other arrangement whereby credit is extended to any obligor (other than such Person) on the basis of any promise or undertaking of such Person (i) to pay the Debt or other Liability of such obligor, (ii) to purchase any obligation owed by such obligor, (iii) to purchase or lease assets under circumstances that are designed to enable such obligor to discharge one or more of its obligations or (iv) to maintain the capital, working capital, solvency or general financial condition of such obligor and (c) any liability as a general partner of a partnership or as a venturer in a joint venture in respect of Debt or other Liabilities of such partnership or venture.

“Handling” means any operations or set of operations which is performed on Personal Information, whether or not by automated means, such as the receipt, access, acquisition, collection, recording, organization, compilation, use, consultation, storage, structuring,

adaptation or alteration, processing, transmission, safeguarding, security, retrieval, disposal, destruction, disclosure, sale, licensing, rental, or transfer of information.

“Hazardous Substance” means any material or substance defined or regulated as a hazardous or toxic substance, material or waste or as a pollutant or contaminant, or words of similar intent or meaning, pursuant to any Environmental Laws, or for which standards of conduct or liability may be imposed under Environmental Laws due to its hazardous, toxic, dangerous or deleterious properties or characteristics.

“IIA” means the Israeli Innovation Authority (formerly referred to as the Office of the Chief Scientist) of the Israeli Ministry of Economy.

“Income Tax” means any Tax measured by, imposed on or calculated by reference to net or gross income or profits, including any franchise, margin or similar Tax (and any withholding Tax with respect thereto), including any interest, penalty or addition thereto.

“Intellectual Property” means all rights, title, and interests in and to all intellectual property rights of every kind and nature however denominated, throughout the world, including: (a) patents, copyrights, mask work rights, confidential information, trade secrets, database rights, and all other proprietary rights in Technology; (b) trademarks, trade names, service marks, brands, trade dress and logos, and the goodwill and activities associated therewith; (c) domain names and social media accounts and handles; (d) rights of publicity and moral rights; and (e) any and all registrations, applications, recordings, licenses, common-law rights, statutory rights, administrative rights, and contractual rights relating to any of the foregoing.

“ITA” means the Israeli Tax Authority.

“Legal Requirement” means any federal, state or local or any foreign law (including Israeli law), statute, legislation, case law, ordinance, order, extension orders, code, rule, regulation, or promulgation, or any Government Order, or any Permit granted under any of the foregoing, or any similar provision having the force or effect of law.

“Liability” means, with respect to any Person, any liability or obligation of such Person whether known or unknown, whether asserted or unasserted, whether determined, determinable or otherwise, whether absolute or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, whether directly incurred or consequential, whether due or to become due and whether or not required under GAAP to be accrued on the financial statements of such Person.

“Material Adverse Effect” means any event, change, fact, condition, circumstance or occurrence that, when considered either individually or in the aggregate together with all other adverse events, changes, facts, conditions, circumstances or occurrences with respect to which such phrase is used in this Agreement, has had or would reasonably be expected to have a material adverse effect on the business, operations, results of operations, properties, assets or condition (financial or otherwise) of the Acquired Companies, taken as a whole, other than the following: (i) events, changes, facts, conditions, circumstances or occurrences generally affecting the United States or Israeli economy or other markets or industries in which the Acquired Companies operate, or the United States or Israeli debt, credit or securities markets (including any decline in the price of any security or any market index) but only to the extent that

such events, changes, facts, conditions, circumstances or occurrences do not have a materially disproportionate effect on the Acquired Companies as compared to other participants in the industry referred to in this clause (i), (ii) any outbreak or escalation of hostilities or declared or undeclared acts of war or acts of terrorism, riots, civil unrest, political instability, epidemic, pandemic (including COVID-19) or other national calamity, crisis or emergency or any governmental response to any of the foregoing, (iii) changes or proposed changes in Legal Requirements, (iv) changes or proposed changes in GAAP (or interpretations thereof), (v) events, changes, facts, conditions, circumstances or occurrences resulting from actions taken by any Acquired Company which Buyer has expressly requested in writing or to which Buyer has expressly consented in writing; (vi) any failure of the Acquired Companies to meet projections, forecasts or revenue or earning predictions for any period (provided that the underlying causes of such failure may, to the extent applicable, be considered in determining whether there has been, or is reasonably be expected to be, a Material Adverse Effect), or (vii) events, changes, facts, conditions, circumstances or occurrences resulting from the announcement, pendency or the existence of, or compliance (other than compliance with the obligation to operate in the Ordinary Course of Business) with, this Agreement and the Contemplated Transactions (provided that this clause (viii) shall not diminish the effect of, and shall be disregarded for purposes of, the representations and warranties contained in Sections 3.03, 3.04, 4.03 and 4.04 and any other representations and warranties relating to required consents or approvals, change in control provisions or similar provisions granting rights of acceleration, termination, modification or waiver based upon the entering into of this Agreement or the consummation of the Contemplated Transactions).

“Off-the-Shelf Software” means generally available commercial software obtained from a third party on general commercial terms that (i) continues to be widely available on such commercial terms as of the Closing Date, (ii) involves license, maintenance, support, and other fees less than \$[●] per year in the aggregate, (iii) is not material to the Business, (iv) is not distributed with, incorporated in, or necessary for use of, any product or service of an Acquired Company, and (v) is not Open Source Software.

“Open Source Software” means any software that is distributed (i) as “free software” (as defined by the Free Software Foundation), (ii) as “open source software” or pursuant to any license identified as an “open source license” by the Open Source Initiative (www.opensource.org/licenses) or other license that substantially conforms to the Open Source Definition (opensource.org/osd), or (iii) under any similar licensing or distribution model, or (iv) under a license that requires disclosure of source code or requires derivative works based on such software to be made publicly available under the same license.

“Ordinance” or the “Income Tax Ordinance” means the Israel Income Tax Ordinance (New Version) 5721-1961, as amended, and the rules and regulations promulgated thereunder.

“Ordinary Course of Business” means an action taken by any Person in the ordinary course of such Person’s business that is consistent with the customs and practices of such Person and is taken in the ordinary course of the normal operations of such Person.

“Organizational Documents” means, with respect to any Person (other than an individual), (a) the certificate or articles of incorporation, association or organization and any

joint venture, limited liability company, operating or partnership agreement and other similar documents adopted or filed in connection with the creation, formation or organization of such Person and (b) all by-laws, voting agreements and similar documents, instruments or agreements relating to the organization or governance of such Person, in each case, as amended or supplemented.

“Parent” as defined in the preamble to this Agreement.

“Parent’s and Buyer’s Knowledge,” “Knowledge of Parent and Buyer” and similar formulations mean that one or more of [●],[●],[●],[●] and [●] has actual knowledge of the fact or other matter at issue after reasonable investigation of the employees of Parent or Buyer reasonably expected to have actual knowledge of such fact or matter.

“Paying Agent” means [●].

“Per Common Share Price” means the quotient obtained by dividing (a) the sum of the Purchase Price plus the aggregate exercise price of all Vested Options and Warrants minus the Preferred Stock Aggregate Price by (b) the Fully-Diluted Common Share Number.

“Permits” means, with respect to any Person, any license, franchise, permit, consent, approval, right, privilege, certificate or other similar authorization issued by, or otherwise granted by, any Governmental Authority to which or by which such Person is subject or bound or to which or by which any property, business, operation or right of such Person is subject or bound.

“Permitted Encumbrance” means (a) statutory liens for current Taxes not yet due and payable or the amount or validity of which is being contested in good faith by appropriate proceedings and for which appropriate reserves have been established in accordance with GAAP, (b) mechanics’, materialmen’s, carriers’, workers’, repairers’ and similar statutory liens arising or incurred in the Ordinary Course of Business the existence of which would not constitute an event of default under, or breach of, a Real Property Lease and the Liabilities of the Acquired Companies in respect of which are not overdue or otherwise in default, (c) zoning, entitlement, building and other land use regulations imposed by Governmental Authorities having jurisdiction over any Owned Real Property which are not violated in any material respect by the current use and operation of the Owned Real Property, (d) covenants, conditions, restrictions, easements, encumbrances and other similar matters of record affecting title to but not adversely affecting the value of, or the current occupancy or use of Real Property in any material respect, (e) liens to secure landlords, lessors or renters under leases or rental agreements and (f) liens that arise by operation of law in the Ordinary Course of Business and are not material individually or in the aggregate.

“Person” means any individual or any corporation, association, partnership, limited liability company, joint venture, joint stock or other company, business trust, trust, organization, Governmental Authority or other entity of any kind.

“Personal Information” means any information that (i) is subject to Handling obligations under any applicable Privacy Laws and Requirements, (ii) is subject to a requirement, under any applicable Privacy Laws and Requirements, that any Person be notified if such information is

lost, misused, wrongly accessed, wrongly acquired or compromised, (iii) alone or in combination with other information can be used to identify an individual Person, or (iv) constitutes any health or other sensitive information of an individual Person, (v) “Information” as defined by the Israeli Protection of Privacy Law 5741-1981 and applicable Israeli judicial precedents defining that term and the data protection or privacy laws and regulations to which the Company are subject, and (vi) employee data.

“Post-Closing Tax Period” means any taxable period beginning after the Closing Date, and, in the case of any Straddle Period, the portion of such period beginning on the first day following the Closing Date.

“Pre-Closing Tax Period” means any taxable period ending on or before the Closing Date, and, in the case of any Straddle Period, the portion of such period ending on the Closing Date.

“Predecessor” means, with respect to any specified Person, (a) any other Person that has ever merged or consolidated with or into such specified Person or (b) any other Person all or substantially all of whose assets has ever been acquired by such specified Person (whether by purchase, upon liquidation or otherwise).

“Privacy Laws and Requirements” means all Legal Requirements (including, without limitation, to the extent applicable, Israel’s Protection of Privacy Law 5741-1981 and the regulations promulgated thereunder, the European General Data Protection Regulation (EU) 2016/679, the California Consumer Privacy Act of 2018, the Health Insurance Portability and Accountability Act of 1996, the Health Information Technology for Economic and Clinical Health Act, the Electronic Communications Privacy Act, the Personal Information Protection and Electronic Documents Act, and any and all data protection, privacy, marketing, consumer protection, cookies and anti-spam laws and related regulations, directives and orders to which the Acquired Companies are subject), Contractual Obligations applicable to Personal Information or the access thereto or use or transfer thereof.

“Pro Rata Percentage” means, with respect to each Company Securityholder, the percentage set forth opposite the name of such Company Securityholder on Annex I hereto.

“R&W Insurance Policy” means the buyer-side representation and warranty insurance policy issued by [INSURER] to Buyer.

“Representative” means, with respect to any Person, any director, officer, employee, agent, manager, consultant, advisor, or other representative of such Person, including legal counsel, accountants, and financial advisors.

“Retention Amount” means an amount equal to \$5,000,000.

“Section 102” means section 102 of the Income Tax Ordinance.

“Section 102 Options” means Options granted and subject to tax pursuant to Section 102(b)(2) of the Ordinance.

“Section 102 Securities” means Section 102 Options and Section 102 Shares.

“Section 102 Shares” means shares of Company Common Stock issued upon exercise of Section 102 Options.

“Section 102 Trustee” means the trustee appointed by the Company from time to time in accordance with the provisions of the Income Tax Ordinance, and approved by the ITA, with respect to the Section 102 Securities.

“Section 3(i) Options” means Options granted pursuant to Section 3(i) of the Income Tax Ordinance.

“Seller Transaction Expenses” means all costs, fees and expenses incurred by any Acquired Company or any Seller in connection with the negotiation, execution and delivery of this Agreement and the Ancillary Agreements or the consummation of the Contemplated Transactions, to the extent such costs, fees and expenses are payable by the Buyer at Closing or payable or reimbursable by any Acquired Company after the Closing, and any applicable non-recoverable VAT, including, (a)(i) all fees and expenses payable to the Company’s financial advisor(s) and all other brokerage fees, commissions, finders’ fees or financial advisory fees so incurred, (ii) the fees and expenses of the Company’s legal counsel, accountants, consultants and other experts and advisors so incurred and (iii) all Change of Control Payments; (b) any fees and expenses owing to the Company’s Affiliates (other than to another Acquired Company) or to any Seller (in each case, whether or not arising in connection with this Agreement or the Contemplated Transactions but excluding Compensation); (c) 50% of all fees and expenses of the Escrow Agent under the Escrow Agreement, (d) 50% of all premiums paid in connection with the R&W Insurance Policy, (e) the employer portion of any payroll Tax of any Acquired Company attributable to consideration payable under this agreement respect to the Optionholders (calculated without regard to any deferral available under the CARES Act), (f) any Transfer Taxes and (g) 100% of the fees, costs and expenses incurred in connection with the “tail” directors’ and officers’ liability and fiduciary liability insurance policies obtained pursuant to Section 6.06.

“Software” means computer software and databases, including all object code, source code, firmware and embedded versions thereof, specifications, designs and documentation related thereto.

“Straddle Period” means any Tax period that includes (but does not end on) the Closing Date.

“Subsidiary” means, with respect to any specified Person, any other Person of which such specified Person, directly or indirectly through one or more Subsidiaries, (a) owns at least 50% of the outstanding Equity Interests entitled to vote generally in the election of the Board of Directors or similar governing body of such other Person, or (b) has the power to generally direct the business and policies of that other Person, whether by contract or as a general partner, managing member, manager, joint venturer, agent or otherwise.

“System” or “Systems” means all Software, hardware, networks, databases, electronics, platforms, servers, switches, endpoints, interfaces, applications, websites, storage, firmware and

related information technology systems and services used or held for use by any Acquired Company, including any outsourced systems and services, that are owned or used by any Acquired Company in connection with their products or services.

“Tax” or “Taxes” means (a) any and all taxes, charges, duties, fees, levies, imposts or other assessments, reassessments, or mandatory payments of any kind whatsoever, whether direct or indirect, imposed by or payable to or accrued to the benefit of any federal, state, municipal, local, or foreign tax authority and/or Governmental Authority (each, a “Tax Authority”), including, without limitation, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, capital stock, capital gain, franchise, profits, withholding, social security (or similar, including FICA and National Health Insurance), unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated, escheat or unclaimed property obligations, or other tax of any kind or any charge of any kind, including any interest, indexation, penalty, or addition thereto, whether disputed or not and (b) any liability for the payment of any amounts of the type described in clause (a) of this definition as a result of being a member of an affiliated, consolidated, combined or unitary group for any period, as a result of any tax sharing or tax allocation agreement, arrangement or understanding, or as a result of being liable for another person’s taxes as a transferee or successor, by Contractual Obligation or otherwise.

“Tax Return” means any return, declaration, report, claim for refund or information return or statement relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

“Technology” means all inventions, works, discoveries, innovations, know-how, proprietary information (including ideas, research and development, formulas, algorithms, compositions, processes and techniques, data, designs, drawings, specifications, customer and supplier lists, pricing and cost information, business and marketing plans and proposals, graphics, illustrations, artwork, documentation, and manuals), Systems, integrated circuits and integrated circuit masks, equipment, and all other forms of technology and business materials, whether tangible or intangible, embodied in any form, whether or not protectable or protected by patent, copyright, mask work right, trade secret law, or otherwise, and all documents and other materials recording any of the foregoing.

“Treasury Regulations” means the regulations promulgated under the Code.

“Union” means any labor union, works council, trade union, or other employee representative body.

“Vested Option” means an Option that is unexpired, unexercised, outstanding and vested in accordance with its terms as of immediately prior to the Closing and that has an exercise price per share that is lower than the Per Common Share Price.

“Vested Options Consideration” means the aggregate amount of the consideration payable to Optionholders with respect to Vested Options pursuant to Section 2.06(b).

The following terms have the meaning set forth in the Sections of this Agreement set forth below:

<u>Term</u>	<u>Section</u>
102 Plan	3.13(n)
Accounting Firm	2.07(e)
Agreement	Preamble
Allocation Statement	2.04(a)
Assets	3.09(a)
Audited Balance Sheet	3.06(a)(i)
Audited Balance Sheet Date	3.06(a)(i)
Audited Financials	3.06(a)(i)
Business Partner	6.08(a)
Buyer	Preamble
Closing	2.02
Closing Date	2.02
Common Shares	Recitals
Common Stock	Recitals
Company	Preamble
Company Plan	3.14(a)
Company Registrations	3.11(c)
Company Stock Plans	2.06
Dispute Notice	2.07(d)
Dispute Submission Notice	2.07(e)
Employee Closing Bonus Beneficiaries	2.04
End Date	8.01(a)
Estimated Closing Statement	2.04(a)
Estimated Purchase Price	2.07(b)
Final Closing Statement	2.07(e)
Financials	3.06(a)(ii)
Fundamental Representations	7.03(a)
Inbound IP Contracts	3.11(d)
Institutions	3.11(k)
Intercompany Services Agreement	3.13(o)
Interim Financials	3.06(a)(ii)
Interim Option Tax Ruling	2.06(c)
IP Contracts	3.11(d)
Leased Real Property	3.10(a)
Liability Policies	3.21
Material Company Contract	3.16(b)
Most Recent Balance Sheet	3.06(a)(ii)
Most Recent Balance Sheet Date	3.06(a)(ii)
NIS	2.09(d)
Non-Party Affiliate	8.02
OCS	3.11(k)
Option Cancellation Acknowledgement	2.06(c)

<u>Term</u>	<u>Section</u>
Optionholders	Preamble
Option Tax Ruling	2.06(c)
Options	Recitals
Outbound IP Contracts	3.11(d)
Owned Real Property	3.10(a)
Payee	2.09(b)
Paying Agent Undertaking	2.09(b)
Preferred Shares	Recitals
Preferred Stock	Recitals
Proposed Final Closing Statement	2.07(c)
Purchase Price	2.02
Real Property	3.10(a)
Real Property Leases	3.10(a)
Releasees	6.07(a)
Releasing Parties	6.07(a)
Restricted Period	6.08(a)
Restrictive Covenant Agreement	Recitals
Scheduled Intellectual Property Rights	3.11(c)
Section 14 Arrangement	3.19(a)
Securities	Recitals
Sellers	Preamble
Sellers' Representative	11.04(a)
Shareholders	Preamble
Shares	Recitals
Transfer Taxes	9.02
VAT	3.13(r)
Valid Certificate	2.09(b)
Warranholders	Preamble
Warrants	Recitals
Withholding Drop Date	2.09(b)

Section 1.02 Certain Matters of Construction.

(a) The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

(b) Section and subsection headings are not to be considered part of this Agreement, are included solely for convenience, are not intended to be full or accurate descriptions of the content of the Sections or subsections of this Agreement and shall not affect the construction hereof.

(c) Except as otherwise explicitly specified to the contrary herein, (i) the words “hereof,” “herein,” “hereunder” and words of similar import shall refer to this Agreement as a whole and not to any particular Section or subsection of this Agreement and reference to a particular Section of this Agreement shall include all subsections thereof, (ii) references to a Section, Exhibit, Annex or Schedule means a Section of, or Exhibit, Annex or Schedule to this Agreement, unless another agreement is specified, (iii) definitions shall be equally applicable to both the singular and plural forms of the terms defined, and references to the masculine, feminine or neuter gender shall include each other gender, (iv) the word “including” means including without limitation, (v) any reference to “consultant” will be deemed to be a reference to any independent contractor, (vi) any reference to “\$” or “dollars” means United States dollars and (vii) references to a particular statute or regulation include all rules and regulations thereunder and any successor statute, rule or regulation, in each case as amended or otherwise modified from time to time.

(d) Only that information which has been made available to the Buyer in the “virtual data room” created for purposes of the sale of the Acquired Companies as such data room existed as of one Business Day prior to the date hereof or which was actually physically delivered or delivered by email prior to the date hereof to the Buyer or their counsel shall be considered to have been “delivered” or “made available” to the Buyer for purposes of this Agreement.

(e) The parties intend that each representation, warranty and covenant contained herein will have independent significance. If any party has breached or violated, or if there is an inaccuracy in, any representation, warranty or covenant contained herein in any respect, the fact that there exists another representation, warranty or covenant relating to the same subject matter (regardless of the relative levels of specificity) which the party has not breached or violated, or in respect of which there is not an inaccuracy, will not detract from or mitigate the fact that the party has breached or violated, or there is an inaccuracy in, the first representation, warranty or covenant.

(f) Unless the context clearly requires otherwise, when used herein “or” shall not be exclusive (*i.e.*, “or” shall mean “and/or”).

(g) Time is of the essence with regard to all dates and time periods set forth or referred to in this Agreement.

(h) For the convenience of the parties an index of additional terms defined throughout this Agreement has been included at the beginning of this Agreement but does not form a part of this Agreement.

ARTICLE II

PURCHASE AND SALE OF SHARES AND WARRANTS; TREATMENT OF OPTIONS; CLOSING.

Section 2.01 Purchase and Sale of Shares. Upon the terms and subject to the conditions set forth in this Agreement, at the Closing, each of the Sellers shall sell, transfer and deliver to Buyer, free and clear of all Encumbrances, and Buyer shall purchase from each of such Sellers, all of the outstanding Shares.

Section 2.02 Purchase Price. In consideration for the purchase by Buyer of the Shares, Buyer shall pay, or cause to be paid, to the Sellers at Closing the Closing Cash Consideration, as calculated and adjusted (a) at the Closing as described in Section 2.04 and Section 2.05(a)(i), and (b) if applicable, following the Closing as described in Section 2.07(f). The Closing Cash Consideration plus the Escrow Amount, after all adjustments contemplated in this Agreement, is referred to herein as the “Purchase Price”.

Section 2.03 The Closing. The purchase and sale of the Shares (the “Closing”) shall take place on the date hereof (the “Closing Date”) by exchange of documents and signatures (or their electronic counterparts). The consummation of the transactions contemplated by this Agreement shall be deemed to occur at 12:01 a.m. Pacific Standard Time on the Closing Date.

Section 2.04 Closing Payments.

(a) At the Closing, Buyer shall pay, or cause to be paid, through payment to the Paying Agent which will in turn make the following payments, in cash by wire transfer of immediately available funds –(a) the Closing Cash Consideration to or for the account of Sellers, (b) the Warrant Closing Cash Consideration to or for the account of Warrantholders, (c) the Closing Vested Options Cash Consideration to the [102 Trustee] for the benefit of the Vested Optionholders, and (d) the Employee Closing Bonus Amount [to the Company] for the benefit of the Employee Closing Bonus Beneficiaries (the payments set forth in (a) through (d), the “Closing Cash Amounts”). Exhibit 2.04 attached hereto is a statement (the “Estimated Closing Statement”) setting forth (i) the Sellers’ Representative’s good faith estimate (together with reasonable detail) of the Closing Cash Amounts, (ii) a list of all payees to whom any portion of the Closing Debt Amount is payable, (iii) a list of all payees to whom any portion of the Seller Transaction Expenses is payable, (iv) a schedule of the payees and accounts (including payment instructions) to which each of the foregoing payments is to be paid and (v) each Company Securityholder’s Pro Rata Percentage (the “Allocation Statement”).⁶

(b) At the Closing, Buyer shall deposit the Escrow Amount with the Escrow Agent to be held in a separate account (the “Escrow Account”). The Escrow Account shall be governed by the terms of the Escrow Agreement. All funds contained in the Escrow Account shall be held in escrow and shall be available solely for the purpose of satisfying obligations of the Company Securityholders, if any, as provided in Section 2.07(f).

Section 2.05 Closing Deliveries.

(a) Buyer Closing Deliveries. Upon the terms and subject to the conditions set forth in this Agreement, the Buyer shall deliver or cause to be delivered at the Closing the following:

(i) pay or cause to be paid the Closing Cash Amounts as set forth above, each payment by wire transfer of immediately available funds denominated in U.S. dollars to an account or accounts specified on the Allocation Statement;

⁶ **Note to Draft:** Draft to be updated as necessary to provide that any payments in respect of shares held under Section 102 be paid to the Section 102 Trustee.

(ii) to the Sellers' Representative, the Employment Agreements and any other Ancillary Agreements to be entered into by Buyer or Parent at Closing, executed by Buyer or Parent (as applicable);

(iii) to the Escrow Agent, by wire transfer of immediately available funds, the Escrow Amount;

(iv) repay, or cause to be repaid, in accordance with the payoff letters delivered by the Sellers' Representative pursuant to Section 2.05(b)(iv) and the Allocation Statement, on behalf of the Company, the amounts as set forth in such payoff letters;

(v) pay, or cause to be paid in accordance with the Allocation Statement, on behalf of the Company, the Seller Transaction Expenses, to the extent unpaid as of immediately prior to the Closing; provided that any Seller Transaction Expenses that are compensatory and payable to any current or former employee of any Acquired Company will be paid to the applicable Acquired Company for further distribution to the applicable recipient through the applicable Acquired Company's payroll provider on the next regularly scheduled payroll date that is at least (3) Business Days following the Closing Date;

(b) to the Sellers' Representative, a copy of the Escrow Agreement [and Paying Agent Agreement], duly executed by Buyer. Sellers Closing Deliveries. Upon the terms and subject to the conditions set forth in this Agreement, the Sellers' Representative shall deliver or cause to be delivered to the Buyer at (or, to the extent set forth below, prior to) the Closing the following:

(i) with respect to all Shares to be purchased and sold by such Seller hereunder, certificates representing all of such Shares, duly endorsed (or accompanied by duly executed transfer powers) and in proper form for transfer to Buyer or in lieu of such certificate an affidavit of lost, misplaced or non-issued certificate,

(ii) the Employment Agreements and any other Ancillary Agreements to be entered into by any Seller at Closing, executed by the applicable Seller party thereto;

(iii) written resignations, effective as of the Closing Date, of the officers and directors of each Acquired Company requested by Buyer;

(iv) payoff and lien release letters in form and substance reasonably satisfactory to Buyer in respect of any indebtedness (including unused commitments therefor) included in the Closing Debt Amount and the termination of all Encumbrances (other than Permitted Encumbrances) on any assets securing such indebtedness, executed by the relevant holders of such indebtedness (or the appropriate agents therefor), drafts of which shall have been provided to Buyer prior to the date hereof;

(v) with respect to all Options held by Vested Optionsholders and Warrantholders, an Option Cancellation Acknowledgement or a Warrant Cancellation Acknowledgement evidencing the cancellation of such Vested Options or Warrants, as applicable, effective at Closing;

(vi) electronic copies of all documentation contained in the data room contemplated by Section 1.02(d) in a format reasonably accessible by Buyer;

(vii) a copy of the Escrow Agreement [and Paying Agent Agreement], duly executed by the Sellers' Representative; and

(viii) a certificate from the Company satisfying the requirements of Treasury Regulations Section 1.1445-2(c) and a proof of mailing of a certificate to the IRS satisfying the requirements of Treasury Regulations Section 1.897-2(h)(2). [TBD]

Section 2.06 Treatment of Options and Warrants.⁷

(a) A listing of each of the Company's stock option plans, programs and arrangements (collectively, the "Company Stock Plans") and all outstanding Options is set forth on Schedule 2.06. Schedule 2.06 also sets forth with respect to each Option the name of the Company Stock Plan under which such Option was issued, the date of grant, the holder thereof, the number of shares subject thereto, the exercise price thereof and the dates of scheduled vesting thereof and the whether such Option is a Vested Option.

(b) Vested Option Consideration. Effective as of the Closing, (x) each Vested Option shall be cancelled and automatically converted into the right to receive [through the payment to, or deposit with, the 102 Trustee]:

(i) on the Closing Date - a cash payment in an amount equal to (a) minus (b) where (a) equals (1) the excess of (x) the Per Common Share Price over (y) the exercise price per share of Common Stock subject to such Option, multiplied by (2) 50% of the number of Common Shares subject to such Vested Option for which such Option shall not theretofore have been exercised and (b) equals the Escrow Amount multiplied by such Optionholder's Pro Rata Percentage (the amount so payable for the benefit of all holders of Vested Options on the Closing, the "Closing Vested Options Cash Consideration");

and (ii) the amounts, if any, from time to time payable to such Optionholder in respect thereof under the Escrow Agreement.

(c) Vesting Acceleration and Cancellation of Options. Effective as of the Closing, (i) the vesting schedule of all Vested Options shall be accelerated so that all Options shall become fully vested as of immediately prior to the Closing, (ii) all Options shall be cancelled and at the Closing, each holder of an outstanding Vested Option shall deliver to the Company and the Buyer an acknowledgement of such treatment (each an "Option Cancellation Acknowledgement"). For the avoidance of doubt, no consideration shall be payable hereunder in respect of the cancellation of such Options that are not Vested Options.

(d) Effective as of the Closing Date, the Company shall take all actions necessary to (i) terminate the Company Stock Plans and (ii) ensure that, as of the Closing Date, all Options are subject to the applicable treatment described in Section 2.06.

⁷ **Seller NTD:** Treatment of Options to be further reviewed.

(e) Treatment of Warrants. A listing of all outstanding Warrants is set forth on Schedule 2.06(f), which includes with respect to each Warrant the holder thereof, the number of shares subject thereto and the exercise price thereof. Effective as of the Closing, each Warrant shall be cancelled and automatically converted into the right to receive (i) on the Closing Date, a cash payment in an amount equal to (a) minus (b) where (a) equals (A) the excess of (x) the Per Common Share Price over (y) the exercise price per share of Common Stock subject to such Warrant, multiplied by (B) the number of Common Shares subject to such Warrant for which such Warrant shall not theretofore have been exercised (the amount so payable to for the benefit of all holders of Warrants on the Closing, the “Closing Warrant Consideration”) and (b) equals the Escrow Amount multiplied by such Warrantholder’s Pro Rata Percentage and (ii) the amounts, if any, from time to time payable to such Warrantholder in respect thereof under the Escrow Agreement. At the Closing, each holder of an outstanding Warrant shall deliver to the Company and the Buyer an acknowledgement of the foregoing treatment (each a “Warrant Cancellation Acknowledgement”).

Section 2.07 Purchase Price Adjustment.

(a) Estimated Purchase Price. The Purchase Price payable at Closing under Section 2.05(a)(i) (the “Estimated Purchase Price”) shall be calculated using the estimated Closing Debt Amount, estimated Closing Cash Amount and estimated Seller Transaction Expenses set forth on the Estimated Closing Statement.

(b) Proposed Final Closing Statement. Within sixty (60) calendar days after the Closing Date, the Company shall prepare or cause to be prepared, and will provide to the Sellers’ Representative, a written statement setting forth in reasonable detail its proposed final determination of the Closing Debt Amount, Closing Cash Amount, and the Seller Transaction Expenses (the “Proposed Final Closing Statement”). The Proposed Final Closing Statement will be prepared in accordance with the Accounting Principles and without giving effect to any changes resulting from the consummation of the Contemplated Transactions on the Closing Date. The Sellers’ Representative and its Representatives shall have reasonable access to the work papers and other books and records of the Acquired Companies and to the persons who prepared the Proposed Final Closing Statement, for purposes of assisting the Sellers’ Representative and its Representatives in their review of the Proposed Final Closing Statement.

(c) Dispute Notice. The Proposed Final Closing Statement (and the proposed final determinations of the Closing Debt Amount, the Closing Cash Amount, and the Seller Transaction Expenses reflected thereon) will be final, conclusive and binding on the parties unless the Sellers’ Representative provides a written notice (a “Dispute Notice”) to Buyer no later than the thirtieth (30th) Business Day after the delivery to the Sellers’ Representative of the Proposed Final Closing Statement. Any Dispute Notice must set forth in reasonable detail any item on the Proposed Final Closing Statement which the Sellers’ Representative believes has not been prepared in accordance with this Agreement. Any item or amount to which no dispute is raised in the Dispute Notice will be final, conclusive and binding on the parties on such thirtieth (30th) Business Day.

(d) Resolution of Disputes. Buyer and the Sellers' Representative will attempt to promptly resolve the matters raised in any Dispute Notice in good faith. Beginning ten (10) Business Days after delivery of any Dispute Notice pursuant to Section 2.07(d), either Buyer or the Sellers' Representative may provide written notice to the other (the "Dispute Submission Notice") that it elects to submit the disputed items to a nationally recognized independent accounting firm chosen jointly by Buyer and the Sellers' Representative (the "Accounting Firm"). The Accounting Firm will promptly, in accordance with the guidelines and procedures set forth in this Agreement, review only those unresolved items and amounts specifically set forth and objected to in the Dispute Notice and resolve the dispute with respect to each such specific unresolved item and amount in accordance with this Agreement. The Accounting Firm shall render a written decision as to each disputed matter, including a statement in reasonable detail of the basis for its decision. The fees, costs and expenses of the Accounting Firm will be allocated between Buyer, on the one hand, and Sellers' Representative (on behalf of the Company Securityholders), on the other hand, based upon the percentage which the portion of the contested amount not awarded to Buyer, on the one hand, and Sellers' Representative, on the other hand, bears to the amount actually contested by such Person, as determined by the Accounting Firm. The decision of the Accounting Firm with respect to the disputed items of the Proposed Final Closing Statement submitted to it will be final, conclusive and binding on the parties. As used herein, the Proposed Final Closing Statement as adjusted to reflect any changes agreed to by the parties and the decision of the Accounting Firm pursuant to this Section 2.07 is referred to herein as the "Final Closing Statement". Each of the parties to this Agreement agrees to use its commercially reasonable efforts to cooperate with the Accounting Firm (including by executing a customary engagement letter reasonably acceptable to it) and to cause the Accounting Firm to resolve any such dispute as soon as practicable after the commencement of the Accounting Firm's engagement.

(e) Purchase Price Adjustment. If any of the Closing Cash Amount, the Closing Debt Amount or the Seller Transaction Expenses (as finally determined pursuant to this Section 2.07 and as set forth in the Final Closing Statement) differs from the estimated amounts thereof set forth in the Estimated Closing Statement, the Purchase Price shall be recalculated using such final figures in lieu of such estimated figures, and (i) the Buyer shall pay in cash to each Company Securityholder by wire transfer of immediately available funds its Pro Rata Percentage of the amount, if any, by which such re-calculated final Purchase Price exceeds the estimated Purchase Price paid at Closing in accordance with Section 2.05(a)(i) and Section 2.07(a) and the Escrow Agent shall release the Escrow Amount to Company Securityholders in accordance with the Escrow Agreement or (ii) the amount, if any, by which such estimated Purchase Price paid at Closing in accordance with Section 2.05(a)(i) and Section 2.07(a) exceeds such re-calculated final Purchase Price shall be paid to the Buyer, or its designee, in accordance with the terms of the Escrow Agreement (and any remaining balance of the Escrow Amount not required to be paid to the Buyer shall be released to Company Securityholders in accordance with the terms of the Escrow Agreement).

Section 2.08 Escrow.

(a) At Closing, Buyer will deposit the Escrow Amount in escrow on behalf of the Sellers in accordance with the Escrow Agreement. The Escrow Amount shall be held and, subject to Section 2.07, released to the Company Securityholders in accordance with the

provisions of the Escrow Agreement with the Company Securityholders being entitled to share in such released amounts in accordance with their Pro Rata Percentages. From and after the Closing, Buyer and the Sellers' Representative will direct the Escrow Agent to disburse payments from the Escrow Account in accordance with the purchase price adjustment provisions of this Agreement and the terms of the Escrow Agreement including: (a) in the case of any disbursement that is required by the terms of this Agreement and as to which there is no dispute (or as to which the disputing party has failed to notify the Escrow Agent and the other parties of its dispute in accordance with any applicable requirements under this Agreement and the Escrow Agreement), they will provide prompt joint payment instructions directing the Escrow Agent to make such disbursement and (b) in the case of a disbursement as to which either the Buyer or the Seller's Representative has notified the other and the Escrow Agent (in accordance with any notice and timing requirements applicable under this Agreement and the Escrow Agreement) that there is a good faith dispute, they will provide joint payment instructions to the Escrow Agent to direct the appropriate disbursement promptly upon the resolution, in accordance with the provisions of this Agreement, of such dispute.

(b) Recovery from the Escrow Amount shall constitute the Buyer's exclusive remedy against the Company Securityholders in connection with any claim relating to any adjustments of the Purchase Price (as set forth in Section 2.07(e)) and any such claim shall expire upon the termination of the Escrow Agreement.

Section 2.09 Withholding Rights.

(a) (a) Notwithstanding any other provision of this Agreement, each of the Buyer or anyone acting on its behalf, the Paying Agent, the Escrow Agent and the Section 102 Trustee and any other applicable withholding agent (each a "Payor"), shall be entitled to deduct and withhold from the Closing Cash Payment and from any other payments otherwise required pursuant to this Agreement, such amount in cash as the Buyer and/or such anyone acting on its behalf is required to deduct and withhold with respect to any payments under the Code or any provision of state, local, provincial or foreign law, unless the applicable Payee (as defined below) provides the Payor, at least five days prior to the proposed date of such payment, with a valid withholding certificate obtained from the applicable tax authorities, exempting the payment to such payee from withholding tax or reducing the amount thereof. To the extent that the amounts are so deducted or withheld, such withheld amounts shall be treated for all purposes of this Agreement as having been paid or issued, as applicable, to such Payee in respect of which such deduction and withholding was made and, upon request, the Payor shall promptly provide the applicable Payee with a document evidencing the amount so withheld and remitted to the Tax authority with respect to the payment made to such Payee.

(b) Notwithstanding the above provisions, with respect to Israeli Taxes, and in accordance with the Paying Agent undertaking provided to Buyer as required under Section 6.2.4.3 of the Income Tax Circular 19/2018 (Transaction for Sale of Rights in a Corporation that Includes Consideration that will be Transferred to the Company Stockholders at Future Dates) (the "Paying Agent Undertaking"), any consideration payable or otherwise to be delivered pursuant to this Agreement on the Closing to any Company Securityholder (other than holders of 102 Securities) or any other Person entitled to payments hereunder (each a "Payee") will be

retained by the Paying Agent, for the benefit of such Payee for a period of up to 180 days from the Closing Date or as otherwise requested by the ITA (the “Withholding Drop Date”), during which time such Payee may obtain a valid certificate or ruling issued by the ITA in form and substance reasonable acceptable to Buyer and the Paying Agent, which: (i) exempts Buyer and the Paying Agent from the duty to withhold Israeli Taxes with respect to such payment to Payee, (ii) determines the applicable rate or amounts of Israeli Taxes to be withheld from the payment due to such Payee, or (iii) provides any other instructions regarding the payment or withholding with respect to the applicable portion of the consideration due to such Payee as determined by the ITA (the “Valid Certificate”). The Paying Agent will act in accordance with the provisions of any Valid Certificate to Buyer and/or the Paying Agent, provided such Valid Certificate is provided not later than three Business Days prior to the Withholding Drop Date⁸. If a Payee (i) does not provide Buyer or the Paying Agent with a Valid Certificate at least three Business Days prior to the Withholding Drop Date or (ii) submits a written request to the Paying Agent to release such Payee’s payment prior to the Withholding Drop Date without submitting a Valid Withholding Certificate, then the amount to be withheld and transferred to the ITA from the amounts payable to such Payee will be calculated according to the applicable withholding rate as reasonably determined by Buyer and the Paying Agent. Such amount will be delivered or caused to be delivered to the ITA by the Paying Agent, and the Paying Agent will release to such Payee the balance of the amount due to such Payee that is not so withheld.

(c) In the event that a Payor receives a written demand from the ITA to withhold any amount out of the amount held by such Payor for distribution to a particular Payee and transfer it to the ITA prior to the Withholding Drop Date, such Payor (i) will notify such Payee of such matter reasonably promptly after receipt of such demand, and provide such Payee with reasonable time (but in no event less than 7 days, unless otherwise required by the ITA) to attempt to delay such requirement or extend the period for complying with such requirement as evidenced by a written certificate, ruling or confirmation from the ITA, and (ii) to the extent that any such certificate, ruling or confirmation is not provided by such Payee to the Payor prior to the time required by the ITA, will transfer to the ITA any amount so demanded, including any interest, indexation and fines required by the ITA in respect thereof, and such amounts will be treated for all purposes of this Agreement as having been delivered and paid to such Payee.⁹

(d) Any withholding made in Israel New Shekel (“NIS”) with respect to payments made hereunder in USD will be calculated based on the Exchange Rate on the most recent Business Day preceding the payment date, and the applicable Payee shall bear sole and exclusive Liability for any foreign currency conversion fee or commission or other fee, cost, Tax, duty or charge applicable to the conversion of such amount from USD to NIS, which such amount shall be deducted from payments to be made to such Payee.

(e) Notwithstanding anything to the contrary in this Agreement, with respect to holders of Options who are individuals and are not Israeli residents for Israeli Tax purposes, who were granted such awards in consideration solely for work or services performed entirely outside of Israel (and who will provide Buyer and Paying Agent, prior to any payment to them, no later

⁸ **Seller NTD:** This section covers only Israeli tax law.

⁹ **Seller NTD:** Subject to further review by EY.

than three Business Days before such payment is due, with a validly executed declaration in the form attached hereto as Exhibit [●] regarding their non-Israeli residence and confirmation that they were granted such awards in consideration solely for work or services performed entirely outside of Israel), such payments will not be subject to any withholding or deduction of Israeli Tax and, to the extent such individual are employed by the Company at the time of payment, will be made through the Company's payroll payment system. If such declaration is not provided at least three Business Days prior to the day of the applicable payment, then such payment will be subject to tax withholding as will be reasonably determined by Buyer or the Paying Agent.

Section 2.10 Payments of Employee Closing Bonus. Prior to the date hereof, the Company has approved cash bonuses, the aggregate amount of which shall be equal to the Employee Closing Bonus Amount, to the individuals listed in Exhibit 2.10 (the "Employees Closing Bonus Beneficiaries"). At the Closing the Buyer shall deposit the Employee Closing Bonus Amount with the [Company] and shall cause the Company to pay through its payroll system to each Employees Closing Bonus Beneficiary its respective share the Employee Closing Bonus Amount in accordance with the allocation set for tin Exhibit 2.10.¹⁰

ARTICLE III REPRESENTATIONS AND WARRANTIES REGARDING THE ACQUIRED COMPANIES.¹¹

In order to induce the Buyer to enter into and perform this Agreement and to consummate the Contemplated Transactions, the Company hereby represents and warrants to the Buyer, subject to such exceptions as are disclosed in the applicable Schedules attached hereto or as disclosed in the Financials (including any notes thereto), as follows:

Section 3.01 Organization. Schedule 3.01 sets forth for each Acquired Company its name and jurisdiction of organization. Each Acquired Company is duly organized, validly existing and in good standing (where such standing is applicable) under the laws of its jurisdiction of organization. Each Acquired Company is duly qualified to do business and in good standing in each jurisdiction in which it owns or leases Real Property or conducts business and is required to so qualify except where the failure to so qualify has not had, and would not reasonably be expected to have, a Material Adverse Effect. The Company has delivered to the Buyer accurate and complete copies of (a) the Organizational Documents of each Acquired Company and (b) the minute books of each Acquired Company, which contain records of all material meetings held of, and other actions taken by, the shareholders, partners, members or other holders of Equity Interests in such Acquired Company, the Boards of Directors (or equivalent) of each such Acquired Company and each committee thereof. Schedule 3.01 sets forth an accurate and complete list of all Predecessors of the Acquired Companies.

¹⁰ **Seller NTD:** Carve-out plan TBD.

¹¹ **Note to draft:** Buyer reserves the right to modify and/or supplement representations based on the findings of its diligence review. **NTD** – *representations subject to further comments.*

Section 3.02 Power and Authorization.

(a) Contemplated Transactions. Each of the Acquired Companies that is, or will be at Closing, a party to this Agreement or any Ancillary Agreement, has all corporate power and authority necessary for the execution, delivery and performance by it of this Agreement and each such Ancillary Agreement. Each of the Acquired Companies that is, or will be at Closing, a party to this Agreement or any Ancillary Agreement, has duly authorized by all necessary action on the part of the Board of Directors (or equivalent) and the shareholders (or other holders of Equity Interests) of such Acquired Company, the execution, delivery and performance of this Agreement and each such Ancillary Agreement by such Acquired Company. This Agreement and each Ancillary Agreement to which any Acquired Company is, or will be at Closing, a party (i) have been (or, in the case of Ancillary Agreements to be entered into at Closing, will be when executed and delivered) duly executed and delivered by each Acquired Company that is, or will be at Closing, a party thereto and (ii) is (or in the case of Ancillary Agreements to be entered into at the Closing, will be when executed and delivered) a legal, valid and binding obligation of each such Acquired Company, enforceable against each such Acquired Company in accordance with its terms.

(b) Conduct of Business. Each Acquired Company has all corporate power and authority necessary to own, lease, operate and use its Assets and carry on the Business.

Section 3.03 Authorization of Governmental Authorities. Except as disclosed on Schedule 3.03, no action by (including any authorization by or consent or approval of), or in respect of, or filing with, any Governmental Authority is required by or on behalf of any Acquired Company or in respect of any Acquired Company, the Business or any Assets of any Acquired Company for, or in connection with, (a) the valid and lawful authorization, execution, delivery and performance by any Acquired Company of this Agreement or any Ancillary Agreement to which it is, or will be at Closing, a party or (b) the consummation of the Contemplated Transactions by the Acquired Companies.

Section 3.04 Noncontravention. Except as disclosed on Schedule 3.04, none of the authorization, execution, delivery or performance by any Acquired Company of this Agreement or any Ancillary Agreement to which it is, or will be at Closing, a party, nor the consummation of the Contemplated Transactions by the Acquired Companies, will:

(a) assuming the taking of each action by (including the obtaining of each necessary authorization, consent or approval), or in respect of, and the making of all necessary filings with, Governmental Authorities, in each case, as disclosed on Schedule 3.03, conflict with or result in a breach or violation of, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) under, any Legal Requirement applicable to an Acquired Company, the Business or any Assets of any Acquired Company; or

(b) conflict with or result in a breach or violation of, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) under, or result in termination of, or accelerate the performance required by, or result in a right of termination or acceleration under, or require any action by (including any authorization, consent or approval) or notice to any Person, or require any offer to purchase or prepayment of any Debt or Liability

under, or result in the creation of any Encumbrance (other than a Permitted Encumbrance) upon or forfeiture of any of the rights, properties or assets of any Acquired Company under, any of the terms, conditions or provisions of (i) any Permit applicable to or otherwise affecting any Acquired Company, the Business or any Assets of any Acquired Company, except where such conflict, breach, violation, default, termination, acceleration or other event has not had and would not reasonably be expected to have, a Material Adverse Effect, (ii) any Contractual Obligation to which an Acquired Company is a party, except where such conflict, breach, violation, default, termination, acceleration or other event has not had and would not reasonably be expected to have, a Material Adverse Effect, or (iii) the Organizational Documents of any Acquired Company.

Section 3.05 Capitalization of the Acquired Companies.

(a) Authorized and Outstanding Equity Interests. The entire authorized capital stock (or, where applicable, other Equity Interests) of each Acquired Company is as set forth on Schedule 3.05. All of the outstanding Equity Interests of the Acquired Companies are held of record and beneficially owned by the Persons in the respective amounts set forth on Schedule 3.05. Except as set forth on Schedule 3.05, none of the Acquired Companies has any issued or outstanding Equity Interests or holds shares of its capital stock (or other Equity Interests) in its treasury. The Company has delivered to the Buyer accurate and complete copies of the stock ledger (or equivalent records) of each Acquired Company, which records reflect all issuances, transfers, repurchases and cancellations of shares of capital stock (or other Equity Interests) of each Acquired Company. All of the outstanding shares of capital stock (or, where applicable, other Equity Interests) of each Acquired Company have been duly authorized, validly issued and are fully paid and non-assessable. None of the Acquired Companies has violated any Legal Requirements applicable to it, including any federal or state securities laws, or any preemptive or other similar rights of any Person in connection with the issuance, repurchase or redemption of any of its Equity Interests or other securities, except where such violation has not had, and would not reasonably be expected to have, a Material Adverse Effect. The Company has taken all actions necessary to ensure that (i) all outstanding Options have been cancelled effective as of the Closing and (ii) the Company Stock Plans terminated at Closing, the provisions in any other plan or agreement providing for the issuance, transfer or grant of any Equity Interests of any Acquired Company terminated at Closing, and no holder of an Option or any participant in any Company Stock Plan or other plan or any party to a Contractual Obligation with any Acquired Company has any right thereunder to acquire any Equity Interests of any Acquired Company.

(b) Outstanding Options. As of the date of this Agreement, the Company has reserved [●] shares of Company Common Stock for issuance pursuant to the Company Stock Plans, of which [●] shares are subject to outstanding and unexercised Options and [●] shares remain available for issuance thereunder. Schedule 3.05(b) sets forth, as of the date of this Agreement, a true, correct and complete list of all Optionholders, and each Option, whether or not granted under the Company Stock Plan, including the holder's country of residence, the number of shares of Company Common Stock subject to each Option, the number of such shares that are vested or unvested, the "date of grant" of such Option (as defined under Treasury Regulation 1.409A-1(b)(5)(vi)(B) in the case of US Options), the vesting commencement date, the vesting schedule (and the terms of any acceleration thereof), the exercise price per share, in the case of Options

granted to Israeli grantees, whether each such Option was granted and is subject to tax pursuant to Section 3(i) of the Income Tax Ordinance or Section 102 of the Income Tax Ordinance and specifying the subsection of Section 102 of the Income Tax Ordinance pursuant to which the Option was granted and is subject to tax and whether an election was made to treat such Option under the capital gain route or ordinary income route, and in the case of Options granted to US grantees, the tax status of such Option under Section 422 of the Code, the term of each Option, the Option Plan under which such Option was granted (if any) and the country and state of residence provided by such Optionholder. All Options listed on Schedule 3.05(b) that are denoted as incentive stock options under Section 422 of the Code so qualify and will continue to so qualify as of immediately prior to the consummation of the Transactions. The Company Stock Plans have been established and maintained in all material respects in compliance with all applicable laws. No Equity Interests are outstanding under the Company Stock Plans other than Options (and shares acquired through the exercise of Options). Each Option intended to qualify as an “incentive stock option” has fully satisfied in all material respects all requirements under Section 422 of the Code. In addition, Schedule 3.05(b) indicates, as of the Agreement Date, which Optionholders are Persons that are not employees of the Acquired Companies (including non-employee directors, consultants, advisory board members, vendors, service providers or other similar Persons), including a description of the relationship between each such Person and the Acquired Companies, as applicable. A true, correct and complete copy of each Company Stock Plan, all agreements and instruments relating to or issued under each Company Stock Plan (including executed copies of all Contractual Obligations relating to each Option and the shares of Company Common Stock purchased under such Option), have been provided to Buyer, and such Company Stock Plans and Contractual Obligations have not been amended, modified or supplemented since being provided to Buyer, and there are no agreements, understandings or commitments to amend, modify or supplement such Company Stock Plans or Contractual Obligations in any case from those provided to Buyer. The terms of the Company Stock Plans permit the treatment of Options as provided herein, without notice to, or the consent or approval of, the Optionholders or otherwise and, other than as set forth in Schedule 3.05(b). There are no Persons that have been offered an opportunity to receive Options or any other equity incentive award under an offer letter from, Contractual Obligation with or other commitment from the Acquired Companies (which has not expired, been rescinded or rejected), but who have not been granted such Options, other than Persons who were promised Options pursuant to an offer letter, Contractual Obligation or other written or unwritten commitment from the Acquired Companies.

(c) Encumbrances on Equity Interests, etc. The Company or a Subsidiary of the Company is the record owner of all of the Equity Interests of each of the Company’s Subsidiaries reflected as being owned by the Company or such Subsidiary on Schedule 3.05 and holds such Equity Interests free and clear of all Encumbrances except as disclosed on Schedule 3.05. Except as disclosed on Schedule 3.05: (i) there are no preemptive rights in respect of any Equity Interests in any Acquired Company, (ii) there are no Encumbrances on, or other Contractual Obligations relating to, the ownership, transfer or voting of any Equity Interests in any Acquired Company, or otherwise affecting the rights of any holder of the Equity Interests in any Acquired Company, (iii) except for the Contemplated Transactions, there is no Contractual Obligation, or provision in the Organizational Documents of any Acquired Company which obligates an Acquired Company to purchase, redeem or otherwise acquire, or make any payment (including any dividend or distribution) in respect of, any Equity Interest in any Acquired Company and

(iv) there are no existing rights with respect to registration under the 1933 Act of any Equity Interests in any Acquired Company.

Section 3.06 Financial Matters.

(a) Financial Statements. Set forth on Schedule 3.06(a) is a correct and complete copy of:

(i) the audited consolidated balance sheets of the Acquired Companies as of [●] (the “Audited Balance Sheet” and the date thereof, the “Audited Balance Sheet Date”) and the related audited consolidated statements of [income, cash flow and changes in stockholders’ equity] of the Acquired Companies for the fiscal years then ended, accompanied by any notes thereto and the reports of the Company’s independent accountants with respect thereto (collectively, the “Audited Financials”); and

(ii) the unaudited consolidated balance sheet of the Acquired Companies as of [●] (the “Most Recent Balance Sheet” and the date thereof, the “Most Recent Balance Sheet Date”), and the related unaudited consolidated statement of [income, cash flow and changes in stockholders’ equity] of the Acquired Companies for the [●] months then ended (the “Interim Financials” and, together with the Audited Financials, the “Financials”).

(b) Compliance with GAAP, etc. Except as disclosed on Schedule 3.06 or as disclosed in the auditors’ opinion or notes accompanying the Financials, the Financials (including any notes thereto) (i) were, or will be in the case of the Update Financials, prepared in accordance with the books and records of the Acquired Companies, (ii) have been prepared in accordance with GAAP, consistently applied (subject, in the case of the unaudited Financials, to normal year-end audit adjustments) and (iii) fairly present the consolidated financial position of the Acquired Companies in accordance with GAAP, as of the respective dates thereof and the consolidated results of the operations of the Acquired Companies and changes in financial position for the respective periods covered thereby, to the extent required by GAAP.

(c) Absence of Undisclosed Liabilities. Except as disclosed on Schedule 3.06(c), no Acquired Company has any material Liabilities except for (i) Liabilities set forth on the Audited Balance Sheet or Most Recent Balance Sheet and (ii) Liabilities incurred in the Ordinary Course of Business since the Audited Balance Sheet Date (none of which results from, arises out of, or relates to any breach or violation of, or default under, a Contractual Obligation or Legal Requirement).

(d) Banking Facilities. Schedule 3.06(d) sets forth an accurate and complete list of (i) each bank, savings and loan or similar financial institution with which an Acquired Company has an account or safety deposit box or other similar arrangement, and any numbers or other identifying codes of such accounts, safety deposit boxes or such other arrangements maintained by an Acquired Company thereat, and (ii) the names of all Persons authorized to draw on any such account or to have access to any such safety deposit box facility or such other arrangement.

Section 3.07 Absence of Certain Developments. Since the Audited Balance Sheet Date, (a) no event, change, fact, condition or circumstance has occurred or arisen that has had, or would reasonably be expected to have, a Material Adverse Effect, and (b) except as disclosed on Schedule 3.07, the Business has been conducted in all material respects in the Ordinary Course of Business and no Acquired Company has (x) suffered any loss, damage, destruction or eminent domain taking, whether or not covered by insurance, with respect to any of its material Assets or the Business or (y) except as contemplated under this Agreement or any Ancillary Agreement, taken any action or omitted to take any of the following actions:

(i) amended its Organizational Documents, effected any split, combination, reclassification or similar action with respect to its capital stock or other Equity Interests or adopt or carry out any plan of complete or partial liquidation or dissolution;

(ii) issued, sold, granted or otherwise disposed of any of its Equity Interests or other securities, or amended any term of any of its outstanding Equity Interests or other securities;

(iii) (A) made any declaration or payment of, or set aside funds for, any dividend or other distribution with respect to any of its capital stock or other Equity Interests (other than cash dividends and cash distributions by a Subsidiary of the Company to the Company or a wholly-owned Subsidiary of the Company); or (B) repurchased, redeemed, or otherwise acquired or canceled any of its capital stock or other Equity Interests;

(iv) became liable in respect of any Guarantee (other than a Guarantee by an Acquired Company of a Liability of the Company or a wholly-owned Subsidiary of the Company that is made in the Ordinary Course of Business) or incurred, assumed or otherwise became liable in respect of any Debt (except for borrowings in the Ordinary Course of Business under the Company's current debt facility);

(v) (A) merged or consolidated with any Person; (B) acquired any material Assets, except for acquisitions of Assets in the Ordinary Course of Business; or (C) made any loan, advance or capital contribution to, acquired any Equity Interests in, or otherwise made any investment in, any Person (other than loans and advances to employees in the Ordinary Course of Business, and other than loans or advances to, or investments in, wholly-owned Subsidiaries of the Company existing on the date of this Agreement that are made in the Ordinary Course of Business);

(vi) permitted any of its material Assets to become subject to an Encumbrance (other than a Permitted Encumbrance) or sold, leased, licensed or otherwise disposed of any of its material Assets, other than sales of Assets in the Ordinary Course of Business;

(vii) repaid, prepaid or otherwise discharged or satisfied any Debt or other material Liabilities, other than in the Ordinary Course of Business, or waived, canceled or assigned any claims or rights of substantial value other than in the Ordinary Course of Business;

(viii) made any capital expenditures that are in the aggregate in excess of \$[●];

(ix) increased, adopted, terminated or modified any benefits under any Employee Plan or increased the Compensation payable or paid, whether conditionally or otherwise, to any

present or former employee, officer, director, consultant or other individual service provider of any Acquired Company (other than (A) any increase adopted in the Ordinary Course of Business in respect of the Compensation of any employee whose annual base Compensation does not exceed \$[●] after giving effect to such increase or (B) any increase in benefits or Compensation required by Legal Requirements or required pursuant to the terms of an existing Employee Plan or an existing employment, consulting, indemnification, change of control, severance or similar agreement with any current or former director, officer, employee, consultant or other individual service provider so long as such Employee Plan or agreement has been disclosed as of the date of this Agreement to the Buyer on a Schedule to this Agreement);

(x) hired, engaged, or terminated (other than for cause) the employment or engagement of any current or former employee, officer, director, consultant or other service provider of any Acquired Company who earns or will earn (or prior to such termination, did earn) annual base Compensation in excess of \$[●];

(xi) implemented any layoffs affecting, placed on unpaid leave or furlough, or materially reduced the hours or weekly pay of, ten (10) or more employees;

(xii) made any material change in its methods of accounting or accounting practices (including with respect to reserves) or its pricing policies, payment or credit practices, failed to pay any creditor any material amount owed to such creditor when due or granted any extensions of credit other than in the Ordinary Course of Business;

(xiii) settled, agreed to settle, waived or otherwise compromised any pending or threatened Actions (A) involving potential payments by or to any Acquired Company of more than \$[●] in aggregate, (B) that admit liability or consent to non-monetary relief, or (C) that otherwise are or would reasonably be expected to be material to the Acquired Companies, taken as a whole, or the Business;

(xiv) made, changed or revoked any material Tax election; elected or changed any method of accounting for Tax purposes; settled any Action in respect of Taxes; or entered into any Contractual Obligation in respect of Taxes with any Governmental Authority;

(xv) opened any Facility or entered into any new line of business or closed any Facility or discontinued any line of business or any material business operations;

(xvi) entered into, adopted, terminated, modified, or amended in material respect (including by accelerating material rights or benefits under) any Material Company Contracts;

(xvii) wrote up or wrote down any of its material Assets or revalue its inventory;

(xviii) opened any new bank or deposit accounts (or materially change any existing arrangements with respect to any existing bank or deposit accounts) or granted any new powers of attorney;

(xix) sold, assigned, transferred, leased, licensed, encumbered, abandoned, permitted to lapse or otherwise disposed of the rights to use any Intellectual Property (other than customer agreements entered into in the Ordinary Course of Business consistent with past practices) or

disclosed any material trade secrets to a third party other than in the Ordinary Course of Business pursuant to a non-disclosure or confidentiality agreement;

(xx) taken any action that, if taken after December 31, 2020, would be required to be disclosed with respect to the representations and warranties in Section 3.13(w); or

(xxi) negotiated, entered into, amended or extended any collective bargaining agreement or other Contractual Obligation with any Union.

Section 3.08 Debt; Guarantees. The Acquired Companies have no Liabilities in respect of Debt except as set forth on Schedule 3.08. For each item of Debt, Schedule 3.08 correctly sets forth the debtor, the Contractual Obligations governing the Debt, the principal amount of the Debt as the date of this Agreement, the creditor, the maturity date, and the collateral, if any, securing the Debt (and all Contractual Obligations governing all related Encumbrances). Except as set forth on Schedule 3.08, no Acquired Company has any Liability in respect of a Guarantee of any Debt or is liable for other Liability of any other Person (other than another Acquired Company).

Section 3.09 Assets.

(a) **Ownership of Assets.** Each Acquired Company has sole and exclusive, good and marketable title to, or, in the case of property held under a lease or other Contractual Obligation, Enforceable leasehold interest in, or adequate rights to use, all of its properties, rights and assets, whether real or personal and whether tangible or intangible, including all assets reflected in the Most Recent Balance Sheet or acquired after the Most Recent Balance Sheet Date, except for such Assets that have been sold or otherwise disposed of since the Most Recent Balance Sheet Date in the Ordinary Course of Business (collectively, the “Assets”). Except as disclosed on Schedule 3.09(a), none of the Assets is subject to any Encumbrance other than a Permitted Encumbrance.

(b) **Sufficiency of Assets.** The Assets comprise all of the assets, properties and rights of every type and description, whether real or personal, tangible or intangible, that are used in the conduct of the Business.

(c) **Condition of Tangible Assets.** All of the material fixtures and other material improvements to the Real Property included in the Assets (including any Facilities) and all of the material tangible personal property other than inventory included in the Assets other than Systems (i) are in all material respects adequate and suitable for their present uses, (ii) are in good working order, operating condition and state of repair (ordinary wear and tear excepted), and (iii) have been maintained in all material respects in accordance with normal industry practice.

(d) **Investments.** Except as set forth in Schedule 3.09(d), no Acquired Company (i) controls, directly or indirectly, or owns any direct or indirect Equity Interest in any Person that is not a Subsidiary of the Company or (ii) is subject to any obligation to make any investment (in the form of a loan, capital contribution or otherwise) in any Person (that is not an Acquired Company).

Section 3.10 Real Property.

(a) Schedule 3.10(a) sets forth a list of the addresses of all real property (i) owned by any of the Acquired Companies (the “Owned Real Property”), (ii) previously owned by any of the Acquired Companies or their Predecessors, or (iii) leased, subleased or licensed by, or for which a right to use or occupy has been granted to, any of the Acquired Companies (the “Leased Real Property,” and together with the Owned Real Property, the “Real Property”). Schedule 3.10(a) also identifies (i) with respect to each Owned Real Property, the Acquired Company that is the owner of such Owned Real Property, its tax identification number(s) and all Persons that use or occupy such Owned Real Property, (ii) with respect to each previously owned real property, the Acquired Company or Predecessor that was the owner of such real property, and (iii) with respect to each Leased Real Property, each lease, sublease, license or other Contractual Obligation under which such Leased Real Property is occupied or used including the date of and legal name of each of the parties to such lease, sublease, license or other Contractual Obligation, and each amendment, modification or supplement thereto (the “Real Property Leases”).

(b) Except as set forth in Schedule 3.10(b), the Acquired Companies have good and clear, record and marketable fee simple title in and to the Owned Real Property, free and clear of all Encumbrances other than Permitted Encumbrances.

(c) Except as set forth on Schedule 3.10(c), there are no written or oral leases, subleases, licenses, concessions, occupancy agreements or other Contractual Obligations granting to any other Person the right of use or occupancy of any of the Real Property and there is no Person (other than any Acquired Company) in possession of any of the Real Property.

(d) The Company has delivered to the Buyer accurate and complete copies of the Real Property Leases, in each case as amended or otherwise modified and in effect, together with extension notices, estoppel certificates and subordination, non-disturbance and attornment agreements related thereto.

(e) No eminent domain or condemnation Action is pending or, to the Company’s Knowledge, threatened, that would preclude or materially impair the use of any Real Property. None of the Acquired Companies’ current use of the Real Property violates in any material respect any restrictive covenant of record to which an Acquired Company is party that affects any of the Real Property.

(f) Each Facility is supplied with utilities and other services necessary for the operation of such Facility as the same is currently operated. Each parcel of Real Property abuts on, and has direct vehicular access to, a public road, or has access to a public road via a permanent, irrevocable appurtenant easement benefiting the parcel of Real Property, in each case, to the extent necessary for the conduct of the Business.

Section 3.11 Intellectual Property.

(a) Scheduled Intellectual Property. Schedule 3.11(a) identifies all patents, patent applications, registered trademarks and copyrights, applications for trademark and copyright registrations, domain names, social media accounts and handles, registered design rights, and other forms of registered Intellectual Property and applications therefor, owned by or exclusively

licensed to an Acquired Company (collectively, the “Company Registrations”). Schedule 3.11(a) also identifies each proprietary software program, each trade name, each unregistered trademark, service mark, or trade dress, owned by or exclusively licensed to an Acquired Company that, in each case, is material to the Business. For purposes of this Agreement, all items listed on Schedule 3.11(a) shall be called “Scheduled Intellectual Property.” Schedule 3.11(a) specifically identifies those items of Scheduled Intellectual Property that are exclusively licensed to an Acquired Company, including the identification of the Contractual Obligation pursuant to which each such item of Intellectual Property is licensed. For each of the Company Registrations, Schedule 3.11(a) includes the following information: the relevant registration or application number, the owner of record, the country or jurisdiction, and the filing or registration date. Each of the Company Registrations is subsisting, and to the knowledge of the Acquired Companies, valid and enforceable.

(b) Title to Company Intellectual Property. Except as disclosed on Schedule 3.11(a),

(i) except for Intellectual Property exclusively licensed to the Company pursuant to an Inbound IP Contract, the Company owns all worldwide rights, titles, and interests in and to each item of Company Intellectual Property, free and clear of any Encumbrance other than Permitted Encumbrances and licenses granted in the Outbound IP Contracts identified on Schedule 3.11(f) and the Company is the owner of record of all Company Registrations; and

(ii) no Company Registration is subject to any outstanding Government Order, and no Action (including any opposition, cancellation, interference, inter parties review, or re-examination) is pending or threatened, that challenges the legality, validity, enforceability, use, scope or ownership of any Company Registration.

(c) Sufficiency. Except as disclosed on Schedule 3.11(c), the Acquired Companies own or have adequate rights to use all Technology and Intellectual Property used in connection with the Business without, to the Company’s Knowledge, any infringement, misappropriation or violation of the Intellectual Property of others. The Acquired Companies will continue to own or have immediately after the Closing, valid rights or licenses as are sufficient to use all of the Intellectual Property and Technology used by the Acquired Companies to the same extent as immediately prior to the Closing. [Except as disclosed on Schedule 3.11(c),] the consummation of the transactions contemplated by this Agreement will not result in the loss or impairment of the Acquired Companies’ rights in any Company Intellectual Property or Technology and will not result in the breach of, or create on behalf of any third party, the right to terminate or modify any agreement as to which any Acquired Company is a party and pursuant to which the Acquired Company is authorized or licensed to use any third party Intellectual Property.

(d) Infringement of Third Party IP. Except as disclosed on Schedule 3.11(d), (i) neither the Acquired Companies nor the use of any products or services of any Acquired Company has, to the Company’s Knowledge, interfered with, infringed upon, diluted, misappropriated, or violated any Intellectual Property of any Person, and (ii) no Acquired Company has received any charge, complaint, claim, demand, or notice alleging interference, infringement, dilution, misappropriation, or violation of the Intellectual Property of any Person (including any invitation to license or request or demand to refrain from using any Intellectual Property of any Person in connection with the conduct of the Business or the use of Technology).

(e) Infringement of Company IP. Except as disclosed on Schedule 3.11(e), (i) to the Company's Knowledge, no Person has interfered with, infringed upon, diluted, misappropriated, or violated any Company Intellectual Property and (ii) no Acquired Company has made any charge, complaint, claim, demand, or notice against or to any Person alleging interference, infringement, dilution, misappropriation, or violation of any Company Intellectual Property (including any invitation to license or request or demand to refrain from using any Company Intellectual Property).

(f) IP Contracts. Schedule 3.11(f) identifies under separate headings each Contractual Obligation, whether written or oral, (i) under which an Acquired Company uses or licenses a material item of Technology or any material Intellectual Property that any Person besides an Acquired Company owns (other than Contractual Obligations related to Off-the-Shelf Software or Open Source Software), or owes any royalties or other payments to any Person for the use of any Intellectual Property or Technology (the "Inbound IP Contracts"), (ii) under which an Acquired Company has granted any Person any right or interest in any material Company Intellectual Property including any right to use any material item of Technology (other than non-exclusive licenses granted to customers pursuant to the Company's standard customer agreement(s) in the Ordinary Course of Business) (the "Outbound IP Contracts"), (iii) that otherwise affects the Acquired Companies' use of, rights in or ability to enforce the material Technology used in connection with the Business or any material Company Intellectual Property (including co-existence agreements and covenants not to sue), and (iv) under which an Acquired Company has agreed to or has a Contractual Obligation to indemnify any Person for or against any interference, infringement, dilution, misappropriation, or violation with respect to any Intellectual Property (other than indemnities provided to customers pursuant to the Company's standard customer agreement(s) in the Ordinary Course of Business) (collectively, (i) through (iv), the "IP Contracts").

(g) Confidentiality and Invention Assignments. The Acquired Companies have maintained commercially reasonable practices to protect the confidentiality of the Acquired Companies' confidential information and trade secrets and, except as disclosed on Schedule 3.11(g), have required all current and former employees, contractors, officers and other Persons with access to an Acquired Company's confidential information to execute Contractual Obligations requiring them to maintain the confidentiality of such information and use such information only for the benefit of the Acquired Companies. All current and former employees and contractors of an Acquired Company who contributed to any Technology material to an Acquired Company have executed Contractual Obligations that assign to one of the Acquired Companies all of such Person's respective rights, including Intellectual Property, moral rights (to the extent possible under applicable law) relating to such Technology, and, with respect to such employees or contractors employed or engaged in Israel by Acquired Company incorporated in Israel, which assignment shall include an explicit waiver of the right and/or any claim to receive compensation and reward under Section 134 thereof Israeli Patent Law – 1967.

(h) Systems. The Acquired Companies (i) lawfully own, lease, or license all Systems that are used in the operations of the Business and (ii) will continue to have such rights immediately after the Closing. In the past three years, there has been no failure or other material substandard performance of any System, in each case which has caused a material disruption to any Acquired Company. No Acquired Company is in breach of any of its Contractual

Obligations or licenses relating to Systems. No Acquired Company has been subjected to an audit of any kind in connection with any license or other Contractual Obligation pursuant to which the Acquired Company holds rights to any third-party Software, nor has received any notice of intent to conduct any such audit.

(i) Open Source Software. Schedule 3.11(i) lists all Open Source Software contained in or used in the development of Technology, the Company Intellectual Property or any product or service of an Acquired Company and describes (i) the applicable software name and version number, (ii) the license under which such code was obtained, (iii) whether such code was modified by or for an Acquired Company, (iv) whether such code was distributed by an Acquired Company with the Company's products or services, and (v) whether such code is integrated with or interacts with any other software developed by an Acquired Company. Except as disclosed on Schedule 3.11(i), none of the Technology, the Company Intellectual Property or any product or service of an Acquired Company constitutes, contains, or is dependent on an Open Source Software that is not listed on Schedule 3.11(i). The Acquired Companies are in compliance with their Contractual Obligations relating to Open Source Software, including attribution and notice obligations. The Acquired Companies have not used any Open Source Software in a manner that would (i) require any Company Intellectual Property to be disclosed, delivered, distributed, licensed or otherwise made available in source code form, (ii) limit an Acquired Company's freedom to seek full compensation in connection with the marketing, licensing or distribution of any of the products or services of the Business, (iii) allows a third party to decompile, disassemble or otherwise reverse engineer or re-license any Company's Technology or Company Intellectual Property, or (iv) grant any patent license, non-assertion covenant, or other rights under any Company Intellectual Property.

(j) Privacy and Data Security. To the Company's knowledge, the Acquired Companies' Handling of any Personal Information is in compliance in all material respects with Legal Requirements (including Privacy Laws and Requirements) and Contractual Obligations (including privacy policies and terms of use) applicable to any Acquired Company or to which any Acquired Company is bound. The Acquired Companies maintain and comply in all material respects with their written policies and procedures regarding data security and privacy and maintain administrative, technical, and physical safeguards that are reasonable and, in any event, to the Company's knowledge, in compliance in all material respects with all Legal Requirements (including Privacy Laws and Requirements) and Contractual Obligations applicable to any Acquired Company or to which any Acquired Company is bound. The Contractual Obligations the Acquired Companies have with third parties Handling Personal Information on their behalf contain provisions requiring such third parties to comply with applicable Privacy Laws and Requirements. To the Company's Knowledge, there has been no (i) unauthorized acquisition of, access to, loss of, misuse (by any means) of any Personal Information, confidential information or trade secret, (ii) unauthorized or unlawful Handling of any Personal Information, confidential information or trade secret, in each case, used or held for use by or on behalf of the Acquired Companies, (iii) phishing, ransomware, denial of service (DoS) or other cyberattack that resulted in a monetary loss or a business disruption, or (iv) other act or omission that compromised the security, availability, integrity, or confidentiality of Personal Information. No action, claim, proceeding, complaint, inquiry, audit or investigation is pending or, to the Acquired Companies' Knowledge, threatened against the Acquired Companies or any of their officers, directors, or employees (in their capacity as such) by any private party or any Governmental Authority,

foreign or domestic, with respect to Personal Information. The Acquired Companies maintain procedures and capabilities to respond to requests regarding access, correction, and deletion requests in respect of Personal Information. The Acquired Companies do not intentionally retain any excessive Personal Information, which is unnecessary for the operation of the Acquired Companies' Business.

(k) Governmental Grants. No government, university, college, other educational or academic institution, research center or non-profit institution (collectively, "Institutions") provided or provides facilities, personnel, funding, public aid, grants or subsidies for the creation or development of any Intellectual Property or Technology. No Institutions have any rights (or any option to obtain any rights) in or with respect to any Intellectual Property or Technology or any developments of any Intellectual Property or Technology developed, conceived or made by any employee, former employee or current or former contractor or consultant of an Acquired Company that relate in any manner to the Intellectual Property or Technology. Each Acquired Company has not operated in accordance with an incubator program administrated by the Israeli Innovation Authority (formerly, the Office of Chief Scientist at the Ministry of Industry and Trade ("OCS")) nor has it received any (or has assumed any obligations with respect to) grants from the OCS. Such Acquired Company is not subject to the Israeli Law of the Encouragement of Industrial Research and Development Law, 5744-1984, and the regulations promulgated thereunder. No employee, former employee or current or former contractor or consultant of any Acquired Company who was or is involved in, or who contributed or contributes to, the creation or development of any Intellectual Property or Technology has performed services for any Institution during a period of time during which such employee, former employee, contractor or consultant was also performing services for such Acquired Company. All Intellectual Property and Technology were developed at private expense and no Institution has obtained, by contract or otherwise, rights therein that will affect the commercial value thereof.

(l) Notwithstanding the generality of any other representations and warranties in this Agreement, the representations and warranties in this Section 3.11 constitute the sole and exclusive representations and warranties of the Company with respect to matters covered by this Section 3.11.

Section 3.12 Legal Compliance; Illegal Payments; Permits.

(a) Legal Compliance. Except as otherwise disclosed on Schedule 3.12(a), no Acquired Company is, in any material respect, in breach or violation of, or default under, and no Acquired Company has been in the past three years, in any material respect, in breach or violation of, or default under, its Organizational Documents or any Legal Requirement applicable to the Acquired Companies.

(b) Illegal Payments, etc. In the conduct of the Business, no Acquired Company nor, to the Company's Knowledge, any of its Representatives on behalf of an Acquired Company, has (i) directly or indirectly, given, or agreed to give, any illegal gift, contribution, payment or similar benefit to any supplier, customer, governmental official or employee or other Person who was, is or may be in a position to help or hinder an Acquired Company (or assist in connection with any actual or proposed transaction) or made, or agreed to make, any illegal contribution, or

reimbursed any illegal political gift or contribution made by any other Person, to any candidate for federal, state, local, Israeli or foreign public office or (ii) established or maintained any unrecorded fund or asset or made any false entries on any books or records for any purpose. To the Company's Knowledge, in the past five (5) years, the Company has not been the subject of any investigations, reviews, audits, or inquiries by a Governmental Entity related to Anti-Corruption Laws or Anti-Money Laundering Laws, and, to the knowledge of the Company, no investigation, review, audit, or inquiry by any Governmental Entity related to Anti-Corruption Laws or Anti-Money Laundering Laws is pending or threatened.

(c) Permits. Each Acquired Company possess all material Permits necessary for the conduct of the Business by it and the ownership use and operation of its Assets, as currently conducted.¹² Schedule 3.12(c) describes each material Permit affecting, or relating to, the Assets or the Business. Except as disclosed on Schedule 3.12(c), (i) the Permits listed or required to be listed thereon are valid and in full force and effect, (ii) no Acquired Company is, in any material respect, in breach or violation of, or default under, any such material Permit and (iii) to the Company's Knowledge, no fact, situation, circumstance, condition or other basis exists which, with notice or lapse of time or both, would constitute a material breach, violation or default under such Permit or give any Governmental Authority grounds to suspend, revoke or terminate any such Permit.¹³

Section 3.13 Tax Matters¹⁴.

(a) Each Acquired Company has timely filed all Tax Returns required to be filed by it in accordance with all Legal Requirements. All such Tax Returns are true, correct and complete in all material respects. All Taxes owed by each Acquired Company (whether or not shown on any Tax Return) have been timely paid in full. No claim has ever been made by a Governmental Authority in a jurisdiction where an Acquired Company does not file Tax Returns that such Acquired Company is or may be subject to taxation by that jurisdiction, and, to the Company's Knowledge, there is no basis for any such claim to be made. There are no Encumbrances with respect to Taxes upon any Asset other than Permitted Encumbrances.

(b) Each Acquired Company has complied in all material respects with all requirements to deduct, withhold and timely pay to the appropriate Governmental Authority all Taxes required to be deducted, withheld or paid in connection with amounts paid or owing to any employee, independent contractor, creditor, stockholder or other third party, and each Acquired Company has complied in all material respects with all reporting and recordkeeping requirements with respect thereto.

(c) There is no pending, or to the Company's Knowledge threatened, claim or Action concerning any Tax Liability of any Acquired Company. The Company has delivered to the Buyer accurate and complete copies of all Tax Returns, examination reports, and statements of deficiencies filed, assessed against, or agreed to by an Acquired Company since [●].

¹² **Sellers NTD:** Repetitive.

¹³ **Sellers NTD:** Repetitive. Covered by the compliance rep (3.12(a))

¹⁴ **Sellers NTD:** Tax related reps and provisions are subject to Company's tax advisors' review.

(d) No Acquired Company has waived any statute of limitations in respect of Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency (or has received any written request from a Tax Authority to effect such a waiver or extension). No Acquired Company has executed any power of attorney with respect to any Tax, other than powers of attorney that are no longer in force. No closing agreements, private letter rulings, technical advice memoranda or similar agreements or rulings relating to Taxes have been entered into or issued by any Governmental Authority with or in respect of any Acquired Company.

(e) [Reserved].

(f) Except as set forth in Schedule 3.13(f), no Acquired Company has made any payments, or has been or is a party to any Contractual Obligation that obligate it to make payments, that have resulted or would result, separately or in the aggregate, in the payment of any “excess parachute payment” within the meaning of Code Section 280G or in the imposition of an excise Tax under Code Section 4999 (or any corresponding provisions of state, local or foreign Tax law) or that were or would not be deductible under Code Sections 162 or 404.¹⁵ No Acquired Company is obligated or otherwise intends to pay any gross-up, make whole or reimbursement for any Taxes imposed under Code Section 4999 or 409A (or any corresponding provisions of state, local or foreign Tax law).

(g) No Acquired Company has ever been a member of an “affiliated group” within the meaning of Code Section 1504(a) filing a consolidated federal income Tax Return (other than the “affiliated group” the common parent of which is the Company). No Acquired Company is a party to any Contractual Obligation relating to Tax sharing, Tax indemnity or Tax allocation and no Acquired Company has any Liability or potential Liability to another party under any such agreement. No Acquired Company has any Liability for the Taxes of any Person (other than an Acquired Company) under Treasury Regulation 1.1502-6 (or any similar provision of state, local or foreign law), as a transferee or successor, by contract or otherwise.

(h) No Acquired Company is or has been or will be required to make any adjustment pursuant to Code Section 481(a) (or any predecessor provision) or any similar provision of state, local or foreign tax law by reason of any change in any accounting methods prior to the Closing, or will be required to make such an adjustment as a result of the Contemplated Transactions, and there is no application pending with any Governmental Authority requesting permission for any changes in any of its accounting methods for Tax purposes. No Governmental Authority has proposed in writing any such adjustment or change in accounting method of any Acquired Company.

(i) No Acquired Company will be required to include any amount in taxable income or exclude any item of deduction or loss from taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of (i) any “closing agreement” as described in Code Section 7121 (or any corresponding or similar provision of state, local or foreign Income Tax law) executed on or prior to the Closing Date, (ii) any deferred intercompany gain or excess loss account described in Treasury Regulations under Code Section 1502 (or any corresponding or similar provision or administrative rule of federal, state, local or foreign income Tax law),

¹⁵ **Note to draft:** If 280G is triggered, we would expect a customary 280G covenant to be added to the Agreement.

(iii) installment sale or open transaction disposition made on or prior to the Closing Date ,
(iv) any prepaid amount received on or prior to the Closing Date other than prepayments by customers.

(j) No Acquired Company owns any property of a character, the indirect transfer of which, pursuant to this Agreement, would give rise to any documentary, stamp, or other transfer Tax.

(k) Except as set forth in Schedule 3.13(k), none of the Acquired Companies is a tax resident or subject to Tax in any jurisdiction other than its country of incorporation, organization or formation by virtue of having employees, agents, a permanent establishment or any other place of business in such jurisdiction, or by virtue of being managed and controlled in such jurisdiction.

(l) Each Acquired Company has provided to Buyer all material documentation relating to any applicable Tax holidays or incentives. Each Acquired Company is in compliance in all material respects with the requirements for any applicable Tax holidays or incentives. The Israeli Subsidiary has never made any election to be treated or claimed any benefits as a “Preferred Enterprise” (Mifaal Muadaf) or “Preferred Technological Enterprise” nor did it take any position of being classified as such under the Law for Encouragement of Capital Investments, 1959. The Israeli Subsidiary has never received or applied for any Governmental Grant, including without limitation, from the IIA and the Israeli Ministry of Economy.

(m) Each Company Stock Plan that is intended to qualify as a capital gains route plan under Section 102 of the Income Tax Ordinance (a “102 Plan”) has received a favorable determination or approval letter from, or is otherwise approved by, or deemed approved by, the ITA. To Company’s Knowledge, all Section 102 Securities issued under any 102 Plan have been granted and/or issued, as applicable, were and are in compliance with the applicable requirements of Section 102 of the Income Tax Ordinance and the written requirements and guidance of the ITA, including the filing of the necessary documents with the ITA, the appointment of an authorized trustee to hold the Section 102 Securities, the grant of Section 102 Securities only following the lapse of the required 30 day period from the filing of the 102 Plan with the Israeli Tax Authority, the receipt of all tax rulings from the ITA, and the due deposit of such Section 102 Securities with such trustee pursuant to the terms of Section 102 of the Income Tax Ordinance and the guidance published by the ITA on July 24, 2012 and clarification dated November 6, 2012, as applicable.

(n) Except as set forth in Schedule 3.13(n), each Acquired Company is in compliance in all material respects with all applicable transfer pricing laws and regulations. The prices for any property or services (or for the use of any property) provided by or to the Acquired Companies are arm’s length prices for purposes of all applicable transfer pricing laws, including the Treasury Regulations promulgated under Section 482 of the Code and Section 85A of the Ordinance and the regulations promulgated thereunder.

(o) Tax Ownership of Intellectual Property.

- (i) All Company Intellectual Property that is currently owned by the Company is wholly and exclusively owned by the Company (and not by any Subsidiary) for all Tax purposes.
- (ii) All Intellectual Property that was conceived, developed or first reduced to practice by the Israeli Subsidiary, whether prior to the execution of that certain services agreement by and between the Company and the Israeli Subsidiary, effective as of [●] (the “Intercompany Services Agreement”) or pursuant to such Intercompany Services Agreement, was created by the Israeli Subsidiary on behalf of and for the benefit of the Company consistent with the provisions of such Intercompany Services Agreement and the Israeli Subsidiary was remunerated for the services rendered by it in accordance with the terms of the Intercompany Services Agreement.
- (p) [Reserved]
- (q) The Israeli Subsidiary is duly registered for the purposes of Israeli value added tax and has complied in all material respects with all requirements concerning value added Taxes (“VAT”). The Acquired Companies (except for the Israeli Subsidiary) are not, and have never been, required to register for Israel VAT purposes.
- (r) The Acquired Companies is not subject to any restrictions or limitations pursuant to Part E2 of the Ordinance or pursuant to any Tax ruling made with reference to the provisions of Part E2 of the Ordinance.
- (s) The Acquired Companies do not and have never participated or engaged in any transaction listed in Section 131(g) of the Ordinance and the Israeli Income Tax Laws (Reportable Tax Planning), 5767-2006 promulgated thereunder nor is it subject to reporting obligations under Sections 131D or 131E of the Ordinance or similar provisions under the Israel Value Added Tax law of 1975¹⁶.
- (t) The Israeli Subsidiary is not and has never been a real property corporation (Igud Mekarke'in) within the meaning of this term under Section 1 of the Israeli Land Taxation Law (Appreciation and Acquisition), 5723-1963.
- (u) The U.S. federal income tax classification of each Subsidiary of the Company is set forth on Schedule 3.13(u). [NTD: what is this?]
- (v) Each Acquired Company (i) has not engaged in any “listed transaction,” as set forth in Section 1.6011-4(b)(2) of the U.S. Treasury Regulations, (ii) in the last three (3) years, has not distributed stock of another Person or had its stock distributed by another Person in a transaction that was purported or intended to be governed in whole or in part by Sections 355 or 361 of the Code (or so much of Section 356 as related to Section 355 of the Code), (iii) is not subject to a private letter ruling or similar ruling with respect to Taxes or (iv) has (A) made an

¹⁶ **Sellers NTD:** under further review.

election to defer any payroll taxes under the CARES Act; (B) taken, claimed or applied for an employee retention tax credit; or (C) taken out any loan, received any loan assistance or received any other financial assistance,¹⁷ in each case under the CARES Act, including pursuant to the Paycheck Protection Program or the Economic Injury Disaster Loan Program.

(w) Since December 31, 2020, no Acquired Company has made (outside of the ordinary course of business), changed or revoked any material Tax election, elected or changed any method of accounting for Tax purposes, settled any audit, assessment, dispute, proceeding or investigation in respect of a material amount of Taxes, surrendered any right to claim a Tax refund, filed any amended income or other material Tax Return, agreed to extend or otherwise waive the statute of limitations with respect to Taxes (other than in connection with extensions of time to file Tax Returns obtained in the ordinary course) or incurred any material amount of Taxes outside of the ordinary course of business.

Section 3.14 Employee Benefit Plans.

(a) Schedule 3.14 lists all Employee Plans which an Acquired Company sponsors or maintains, or to which an Acquired Company contributes or is obligated to contribute for the benefit of any current or former employee, director, consultant, or other individual service provider of an Acquired Company or the beneficiaries or dependents of any such Person (each a “Company Plan”). With respect to each Company Plan, the Company has delivered to the Buyer accurate and complete copies of each of the following: (i) if the plan has been reduced to writing, the plan document together with all amendments thereto, (ii) if the plan has not been reduced to writing, a written summary of all material plan terms, (iii) if applicable, any trust agreements, custodial agreements, non-standard insurance policies or contracts, administrative agreements and similar agreements, and investment management or investment advisory agreements, (iv) any summary plan descriptions, employee handbooks or similar material employee communications, (v) in the case of any plan that is intended to be qualified under Code Section 401(a), the most recent determination letter from the IRS and any related correspondence, and any pending request for determination with respect to the plan’s qualification, (vi) in the case of any funding arrangement intended to qualify as a VEBA under Code Section 501(c)(9), the IRS letter determining that it so qualifies, (vii) in the case of any plan for which Forms 5500 are required to be filed, the three most recently filed Forms 5500, with schedules attached and the most recent actuarial report and (viii) any material notices, letters, non-routine correspondences or other correspondence from the IRS, the Department of Labor or other Governmental Authority relating to such Company Plan during the previous six years.

(b) No Acquired Company or any other Person that would be considered a single employer with an Acquired Company under the Code or ERISA has ever sponsored, maintained, contributed to or been required to contribute to, or otherwise had any Liability in respect of, a plan subject to Title IV of ERISA or Code Section 412, including any “multiemployer plan” as defined in Section 4001(a)(3) of ERISA, or any “multiple employer plan” (as defined in Section 413(c) of the Code) or “multiple employer welfare arrangement” (as defined in Section 3(40) of

¹⁷ **Sellers NTD:** Company did apply for a PPP loan but eventually decided not to take the loan.

ERISA) and no condition exists that presents a material risk to any Acquired Company of incurring any Liability under Title IV of ERISA or Section 412 or Section 430 of the Code. No Company Plan provides any health or welfare benefits following termination of employment or service, except as required by applicable Legal Requirements.

(c) Each Company Plan or related trust that is intended to be qualified under Code Section 401(a) or exempt from taxation under Section 501(a) is so qualified or exempt and is the subject of a favorable determination, opinion or advisory letter from the IRS upon which the Acquired Companies are entitled to rely with respect to the qualified status of such Company Plan. No event has occurred and no circumstance exists that could reasonably be expected to cause the loss of such tax-qualified status or the tax-exempt status of any such Company Plan or related trust, or result in any material Liability to the Acquired Companies. Each Company Plan, including any associated trust or fund, has been administered in accordance with its terms and any applicable collective bargaining agreements and with applicable Legal Requirements, and nothing has occurred with respect to any Company Plan that has subjected or could subject an Acquired Company to a penalty under Section 502 of ERISA or to an excise tax under the Code, or that has subjected or could subject any participant in, or beneficiary of, a Company Plan to a tax under Code Section 4973. No Acquired Company or, to the Company's Knowledge, any other Person is in material breach of, or default under, any Company Plan. Each Company Plan that is a qualified defined contribution plan is an "ERISA section 404(c) Plan" within the meaning of Department of Labor regulations section 2550.404c-1(b).

(d) All required material contributions (including all contributions towards pension fund, disability insurance, Managers' Insurance (bituach minhalim) policy or advanced study (keren hishtalmut) fund) to, and premium payments on account of, each Company Plan have been made on a timely basis and the Acquired Companies have timely complied in all material respects with the requirements to transfer all amounts required by applicable Legal Requirement or Contractual Obligation to be transferred to any Company Plan.

(e) There is no pending or, to the Company's Knowledge, threatened Action relating to a Company Plan, other than routine claims in the Ordinary Course of Business for benefits provided for by the Company Plans. To the Company's Knowledge, no Company Plan is or, within the last six years, has been the subject of an examination or audit by a Governmental Authority, is the subject of an application or filing under, or is a participant in, a government-sponsored amnesty, voluntary compliance, self-correction or similar program.

(f) Except as required under Section 601 *et seq.* of ERISA, no Company Plan provides benefits or coverage in the nature of health, life or disability insurance following retirement or other termination of employment.

(g) Each "nonqualified deferred compensation plan" (as defined in Code Section 409A(d)(1) and applicable regulations) with respect to any service provider to an Acquired Company (i) materially complies and has been operated in compliance in all material respects with the requirements of Code Section 409A and IRS guidance and regulations promulgated thereunder, or (ii) is exempt from compliance under the "grandfather" provisions of IRS Notice 2005-1 and applicable regulations and has not been "materially modified" (within the meaning of IRS Notice 2005-1 and Treasury Regulations §1.409A-6(a)(4)) subsequent to October 3, 2004.

With respect to each Company Plan, all contributions, distributions, reimbursements and premium payments that are due have been timely made or, if not yet made, have been properly accrued under GAAP.

(h) Each Company Plan and any related contracts may be amended or terminated without penalty other than the payment of benefits, fees or charges accrued or incurred through the date of termination and statutory payments.

(i) With respect to each Company Plan that is subject to Legal Requirements of a jurisdiction outside the United States, each such plan required to be registered has been registered and is in good standing with applicable Governmental Authorities, all contributions required to be made to or in connection with each such plan have been made and each such plan has been established and administered in accordance with its terms and all applicable Legal Requirements. No such Company Plan is a defined benefit pension plan or provides for any health or welfare benefits following termination of employment or service.

Section 3.15 Environmental Matters.

(a) Except as set forth in Schedule 3.15,

(i) the Acquired Companies and their Predecessors are, and at all times have been, in compliance, in all material respects, with all Environmental Laws, which such compliance includes possessing and materially complying with all material Permits required by Environmental Laws, and no Action is pending or, to the Company's Knowledge, threatened, the effect of which would be to terminate, suspend, not renew or materially modify any such Permit;

(ii) except for matters that have been resolved, no Acquired Company has received any notice regarding any Action or claim involving an Acquired Company that relates to any actual or alleged violation of, Liability under, or investigatory, remedial or corrective obligations pursuant to, Environmental Laws, and to the Company's Knowledge no such Actions or claims are threatened against any Acquired Company;

(iii) no Acquired Company has any ongoing obligations pursuant to any Government Order or agreement resolving or settling any alleged violation of or Liability under Environmental Laws;

(iv) no material capital expenditures are required to be incurred within the next two (2) years following the date of this Agreement in order to achieve or maintain the compliance of the Acquired Companies with Environmental Laws or any Permits issued pursuant to Environmental Laws;

(v) there has been no release by any Acquired Company or any Predecessor, or to the Company's Knowledge, by any other Person, of any Hazardous Substance at, on, upon, into or from the Real Property or any other property currently or formerly owned, leased or otherwise operated by any Acquired Company or any Predecessor, which such release was in violation of Environmental Laws or occurred in a manner or to a degree that requires reporting, investigation, remediation or other response pursuant to Environmental Laws or that otherwise reasonably could be expected to give rise to Liability for any Acquired Company; and

(vi) no Acquired Company is party to any agreement obligating it to indemnify a third party against any Liability arising under Environmental Laws, which such Liability would not otherwise be a Liability of such Acquired Company.

(b) The Sellers have made available to Buyer true, accurate and complete copies of all material assessments, reports, studies, correspondence and other documents relating to the environmental condition of the Real Property or any other property currently or formerly operated by any Acquired Company or any Predecessor, or to the compliance of the Acquired Companies with Environmental Laws, in each case that are in the Acquired Companies' possession.

Section 3.16 Contracts.

(a) Contracts. Except as disclosed in the applicable subsection of Schedule 3.16, no Acquired Company is bound by or a party to:

(i) any Contractual Obligation (or group of related Contractual Obligations) for the purchase, sale, construction, repair or maintenance of inventory, raw materials, commodities, supplies, goods, products, equipment or other property, or for the furnishing or receipt of services, in each case, which provides for (or would be reasonably expected to involve) annual payments to or by an Acquired Company in excess of \$[●];

(ii) any Contractual Obligation relating to the acquisition or disposition by any Acquired Company of (A) any business (whether by merger, consolidation or other business combination, sale of securities, sale of assets or otherwise) or (B) any material Asset (other than in the Ordinary Course of Business);

(iii) any Contractual Obligation concerning or consisting of a partnership, limited liability company, joint venture or similar agreement;

(iv) any Contractual Obligation under which an Acquired Company has permitted any Asset to become Encumbered (other than by a Permitted Encumbrance);

(v) any Contractual Obligation (A) under which an Acquired Company has created, incurred, assumed or guaranteed any Debt or (B) under which any other Person has guaranteed any Debt of an Acquired Company;

(vi) any Contractual Obligation containing covenants that in any way purport to (A) restrict any business activity (including restrictions with respect to the solicitation of any customer) of any Acquired Company or any Affiliate thereof or (B) limit the freedom of any Acquired Company or any Affiliate thereof to engage in any line of business or compete with any Person;

(vii) any Contractual Obligation (other than this Agreement or any Ancillary Agreement) under which an Acquired Company is, or may become, obligated to incur any severance pay or Compensation obligations that would become payable by reason of this Agreement or the Contemplated Transactions;

(viii) any Contractual Obligation under which an Acquired Company is, or may, have any Liability to any investment bank, broker, financial advisor, finder or other similar Person (including an obligation to pay brokerage, finder's, or similar fees or expenses) in connection with this Agreement or the Contemplated Transactions;

(ix) any Contractual Obligation providing for the employment or consultancy or providing Compensation or other benefits to any officer or director of any Acquired Company (other than a Company Plan);

(x) any material agency, dealer, distributor, sales representative, marketing or other similar Contractual Obligation;

(xi) any outstanding general or special powers of attorney executed by or on behalf of an Acquired Company;

(xii) any Contractual Obligation, other than Real Property Leases relating to the lease or license of any Asset, other than IP Contracts;

(xiii) any Contractual Obligation under which an Acquired Company has advanced or loaned an amount to any of its Affiliates (other than to another Acquired Company) or employees other than in the Ordinary Course of Business;

(xiv) any other Contractual Obligation between an Acquired Company, on the one hand, and any Seller (or Affiliate or Family Member thereof), on the other hand, that will continue in effect after the Closing; and

(xv) any collective bargaining agreement or other Contractual Obligation with any Union.

The Company has delivered to the Buyer accurate and complete copies of each written Contractual Obligation listed on Schedule 3.16, in each case, as amended or otherwise modified and in effect. The Company has delivered to the Buyer a written summary setting forth all of the material terms and conditions of each oral Contractual Obligation listed on Schedule 3.16.

(b) Enforceability, etc. Each Contractual Obligation required to be disclosed on Schedule 3.10(a), Schedule 3.11(d), Schedule 3.11(f), Schedule 3.14, Schedule 3.16, Schedule 3.18 or Schedule 3.21 (each, a "Material Company Contract") is Enforceable against each party to such Contractual Obligation, and is in full force and effect, and, subject to obtaining any necessary consents disclosed in Schedules 3.03 and 3.04, will continue to be so Enforceable and in full force and effect on identical terms immediately following the consummation of the Contemplated Transactions.

(c) Breach, etc. No Acquired Company or, to the Company's Knowledge, any other party to any Material Company Contract is in material breach or violation of, or material default under, or has repudiated any material provision of, any Material Company Contract.

Section 3.17 Related Party Transactions. Except for the matters disclosed on Schedule 3.17 and the Contemplated Transactions, no Seller or any Person that to Company's

knowledge is an Affiliate of any Seller and no officer or director (or equivalent) of any Acquired Company (or, to the Company's Knowledge, any Family Member of any such Person who is an individual or any entity in which any such Person or any such Family Member thereof owns a material interest): (a) has any material interest in any material Asset owned or leased by any Acquired Company or used in connection with the Business or (b) is engaged in any material transaction, arrangement or understanding with any Acquired Company (other than payments made to, and other Compensation provided to, officers and directors (or equivalent) in the Ordinary Course of Business).

Section 3.18 Customers and Suppliers. Schedule 3.18 sets forth a complete and accurate list of (a) the ten largest customers of the Acquired Companies (measured by aggregate billings) during each of the 2019 and 2020 fiscal years, indicating the existing Contractual Obligations with each such customer by product or service provided and (b) the ten largest suppliers of materials, products or services to the Acquired Companies (measured by the aggregate amount purchased by the Acquired Companies) during each of the 2019 and 2020 fiscal years, indicating the Contractual Obligations for continued supply from each such supplier. Except as disclosed on Schedule 3.18, since December 31, 2020, none of such customers or suppliers has cancelled, terminated or otherwise materially altered (including any material reduction in the rate or amount of sales or purchases or material increase in the prices charged or paid, as the case may be) or notified an Acquired Company of any intention to do any of the foregoing or otherwise threatened in writing to cancel, terminate or materially alter (including any material reduction in the rate or amount of sales or purchases or material increase in the prices charged or paid as the case may be) its relationship with an Acquired Company.

Section 3.19 Labor Matters.

(a) Schedule 3.19 of the Company Disclosure Schedule sets forth a true, correct and complete list of all current officers, directors, employees, consultants or other individual service providers of the Acquired Companies, showing for each such individual the following: (i) name, (ii) title (including whether treated as an employee or independent contractor), (iii) for non-employees description of the services provided, (iv) department, (v) date of commencement of engagement, (vi) actual scope of engagement (e.g., full or part-time and which percentage, fixed or un-fixed term), (vii) annual salary and any other Compensation, (viii) overtime classification (e.g., exempt or non-exempt), (ix) vacation entitlement and accrued vacation, (x) sick leave entitlement and accrual, (xi) travel pay or car maintenance or car entitlement, (xii) pension arrangement and/or any other provident fund, (xiii) their respective contribution rates, and the salary basis for such contributions, (xiv) whether such employees are subject to Section 14 Arrangement under the Israeli Severance Pay Law, 5723-1963 (the "Section 14 Arrangement") (and to the extent such employee is subject to the Section 14 Arrangement, an indication of whether such arrangement has been applied to such person from the commencement date of their employment and on the basis of their entire salary), (xv) whether the employees are on leave exceeding 30 consecutive days (and if so, the date on which such leave commenced and the date of expected return), and (xvi) any deferred compensation agreements or bonus, retention, change-in-control, relocation incentive, or profit-sharing, material understanding or commitment with respect to any of the foregoing.

(b) Except as disclosed on Schedule 3.19, other than their salaries, the employees are not entitled to any payment or benefit that should reasonably be reclassified as part of their determining salary for any purpose, including for calculating any social contributions. Except as disclosed on Schedule 3.19 and subject to applicable Legal Requirements, the Acquired Companies have no employment or consulting contract with any director, officer, employee or any consultant which is not terminable by it at will, upon thirty (30) days prior notice.

(c) [Reserved]¹⁸.

(d) To the Company Knowledge, none of its employees, consultants or other individual service provider is obligated under any Contractual Obligation, whether oral or written (including licenses, covenants, or commitments of any nature), or subject to any Order of any Governmental Authority, that would materially interfere with such person's ability to promote the interest of any Acquired Company or that would conflict with the Acquired Companies' Business. To the Company Knowledge and except as contemplated hereunder or under any Ancillary Agreement, the execution or delivery of the Agreement, the consummation of the Contemplated Transactions (either alone or in combination with any other event), is expected to conflict with or result in a breach of the terms, conditions, or provisions of, or constitute a default under, any Contractual Obligation or Company Plan under which any such person is now obligated and further not (i) result in any payment or benefit (including severance, unemployment compensation, golden parachute, bonus or other Compensation), (ii) increase or otherwise enhance any Compensation or benefits, (iii) result in the acceleration of the time of payment or vesting or funding of any Compensation or benefits, (iv) entitle the recipient of any material payment or benefit to receive a "gross up" payment for any income or other taxes that might be owed with respect to any Compensation or benefit, (v) result in the forgiveness in whole or in part of any outstanding indebtedness extended by any of the Acquired Companies to any employee or (vi) limit or restrict any Acquired Company's rights to amend or terminate any Company Plan on or after the Closing Date.

(e) The Acquired Companies are not delinquent in any material payments or rights to any of its current or former directors, officers, employees, consultants or other individual service providers for any wages, compensation, salaries, commissions, bonuses, any right or other Compensation for any service performed for it to the date hereof or amounts required to be reimbursed to such directors, officers, employees, consultants or other individual service providers. There are, and for the past three (3) years there have been, no Actions pending or, to the Company's Knowledge, threatened between any Acquired Company and any of its respective current or former directors, officers, employees, applicants for employment or consultants or relating to employment or labor matters, and there are no pending or threatened controversies which have or could reasonably be expected to result in any such Action before any Governmental Authority.

(f) The Acquired Companies are, and have been in the past 3 years, in compliance in all material respects with all Legal Requirement, Contractual Obligations, and Company Plans

¹⁸ **Sellers NTD:** relevant only to Amir Magner, who is a contractor and not an employee.

relating to labor, equal employment opportunity, fair employment practices, employment and engagement, including, those related to wages, compensation, hours of work, worker classification (including the proper classification and payment of workers as independent contractors, consultants, employees, and leased or temporary employees), discrimination in employment, privacy, harassment, retaliation, employee whistle-blowing, immigration, overtime pay, overtime classification, pension, pay slips, working during work day, rest day, holidays, sick leave, pension arrangement, termination process, severance benefits including severance pay, safety and health, notice to employees, plant closures and layoffs, affirmative action, workers' compensation, employee leave issues, labor relations, unemployment insurance, Enhancement of Enforcement of Labor Laws(2011), collective bargaining, the proper withholding and remission to the proper tax and other Governmental Authorities of all sums required to be withheld from employees or Persons deemed to be employees under applicable Legal Requirements respecting such withholding, and other employment practices.

(g) Each Acquired Company has withheld and paid to the appropriate Governmental Authority or is holding for payment not yet due to such Governmental Authority all material amounts required to be withheld from employees of the Company and is not liable, in material respects, for any arrears of wages, taxes, penalties, delay compensation or other sums for failure to comply with any of the foregoing. Other than payments not yet due payable as of the date hereof, any Acquired Company has paid in full to all of its current and former employees, consultants or other individual service providers all wages, compensation, salaries, commissions, bonuses, benefits and other Compensation due and payable to such employees, consultants or other individual service providers on or prior to the date hereof. Other than payments not yet due payable as of the date hereof, no Acquired Company has an outstanding obligation to pay any amount of severance payment or any other payment of substantially the same nature, in connection with termination of any employment or consultancy relationship prior to the date hereof.

(h) All current and former employees, consultants and other individual service providers have signed (i) either an offer letter, employment agreement or a consulting agreement with the applicable Acquired Company and (ii) a confidentiality, non-solicitation, inventions assignment agreement, or other such Contractual Obligation prohibiting disclosure or use of Company or one of the Subsidiaries confidential information and/or assigning all intellectual property created in the framework of their engagement with of the Company or such Subsidiary.

(i) Each Acquired Company has not experienced or expected to experience any material work-related Liability with respect to or arising out of the novel coronavirus disease 2019 caused by SARS-CoV-2 (“COVID-19”) or any Legal Requirement, guidelines or recommendations by any Governmental Authority in connection with or in response to COVID-19. Each Acquired Company is in material compliance with COVID-19 measures with respect to employees and other service providers and workplaces.

(j) Except as disclosed on Schedule 3.19, there are no labor troubles (i.e., any work slowdown, lockout, stoppage, picketing or strike) pending or, to the Company's Knowledge, threatened between an Acquired Company, on the one hand, and its employees, on the other hand, and there have been no such pending or, to the Company's Knowledge, threatened labor troubles. Except as disclosed on Schedule 3.19, (i) no employee of an Acquired Company is

represented by a Union, (ii) no Acquired Company is a party to, or otherwise subject to, any collective bargaining agreement or Contractual Obligation with any Union, other than those applicable to the workforce in Israel generally (iii) to the Company's Knowledge, no petition has been filed or proceedings instituted by an employee or group of employees of an Acquired Company with any labor relations board or other Governmental Authority seeking recognition of a bargaining representative, (iv) to the Company's Knowledge, there is no organizational effort currently being made or threatened by, or on behalf of, any Union to organize employees of an Acquired Company, and there have been no such efforts, (v) no demand for recognition of employees of an Acquired Company has been delivered to an Acquired Company by, or on behalf of, any Union, (vi) no Acquired Company is or has ever been a member of any employers' association or organization, and no Acquired Company has ever paid and has been required to pay or has been requested to pay any payment (including professional organizational handling charges) to any employers' association or organization, and (vii) none of the employees of an Acquired Company benefits from any extension order (tzavei harchava) (other than by extension orders applying to all employees in Israel or the applicable industry sector the Israeli Subsidiary operates in). No executive officer's or other key employee's employment with the Acquired Companies has been terminated for any reason, nor has any such officer or key employee notified, or otherwise disclosed plans to, any Acquired Company of his or her intention to resign or retire since within the twelve (12)-month period following the date hereof. The employment and engagement of each employee, consultant or other individual service providers of any Acquired Company is terminable at the will of an Acquired Company upon thirty (30) days (or shorter) prior notice, subject to the applicable Legal Requirements and Contractual Obligations. Except as disclosed on Schedule 3.19 or as required by Legal Requirements, upon termination of the employment or engagement of any such employees, consultants or other individual service providers, no severance or other payments will become due.

(k) All Acquired Companies' employees (who are employed in Israel or subject to the Israeli law) are subject to Section 14 Arrangement from the commencement date of their employment, in full contribution rates and on the basis of their entire salary, and such Arrangement was properly applied in accordance with the applicable Legal Requirement based on their full determining salaries and from their commencement date of employment, such that upon the termination of employment, an Acquired Company will not have to make any severance payments, except for release of the funds accumulated in accordance with the Section 14 Arrangement. Any Acquired Company's liability for any obligations to pay any amount of severance payment, pension, accrued vacation, recuperation, and other social benefits and contributions, under applicable Legal Requirements or Contractual Obligations, or any other payment of substantially the same nature, is either fully funded according to generally accepted accounting principles by deposit of funds in pension funds, managers insurance policies or provident funds or (if not required to be funded) adequate provisions have been made in the Acquired Companies' Financial Statements.

(l) To the Company Knowledge, all current employees, consultants, and other individual service providers whose employment or engagement with an Acquired Company require a work permit, visa, license or other approval, hold and have held such valid permit throughout the shorter of (i) their entire period of employment or engagement with an Acquired Company or (ii) during the past 3 years.

(m) To Company's knowledge (i) during the last three (3) years, all employees, consultants, and other individual service providers have been properly classified as independent contractors or employees and (ii) no independent contractor has a basis for a claim or any other allegation that such Person was not properly classified as an independent contractor. The Acquired Companies have not engaged any personnel through manpower or other similar third-party agencies. To the Company's Knowledge, the Acquired Companies have no Liability with respect to any misclassification of (i) any Person as an independent contractor or any employee leased from another employer or (ii) any employee currently or formerly classified as exempt from overtime compensation.

(n) Except as disclosed on Schedule 3.19(b), during the past seven (7) years, there has not been any Action or allegation made to any Acquired Company of or relating to, sex-based discrimination, sexual harassment or sexual misconduct, or breach of an Acquired Company policy relating to the foregoing, in each case involving an Acquired Company or any current or former employee, director, officer, consultant or other individual service provider (in relation to his or her work at an Acquired Company) of the Company, nor, To the Company's Knowledge, has there been any settlements or similar out-of-court or pre-litigation arrangement relating to any such matters, nor has any such Action, settlement or other arrangement been proposed or threatened.

Section 3.20 Litigation; Government Orders.

(a) Litigation. Except as disclosed on Schedule 3.20(a) (which matters have not had, and would not reasonably be expected to have, a Material Adverse Effect), there is no Action to which an Acquired Company is a party (either as plaintiff or defendant) or to which its Assets are or may be subject that is pending, or to the Company's Knowledge, threatened, nor, to the Company's Knowledge, is there any basis for any of the foregoing. Except as disclosed on Schedule 3.20(a), there is no Action which an Acquired Company presently intends to initiate.

(b) Government Orders. Except as disclosed on Schedule 3.20(b), no Government Order has been issued that affects in any material respect any Acquired Company or its Assets or the Business.

Section 3.21 Insurance. Schedule 3.21 sets forth an accurate and complete list of all insurance policies by which the Acquired Companies, or any of their Assets, employees, officers or directors (or equivalent) or the Business are currently insured (the "Liability Policies"). The list includes for each Liability Policy the type of policy, form of coverage, policy number and name of insurer. The Company has made available to the Buyer accurate and complete copies of all Liability Policies, in each case, as amended or otherwise modified and in effect. The Acquired Companies are in compliance in all material respects with the insurance requirements under the terms of any applicable Real Property Leases or other Contractual Obligations. Except as disclosed on Schedule 3.21, no insurer (a) has questioned, denied or disputed coverage of any claim pending under any Liability Policy or (b) has threatened to cancel any Liability Policy. Except as disclosed on Schedule 3.21, to the Company's Knowledge, no insurer plans to materially increase the premiums for, or materially alter the coverage under, any Current Liability Policy. Except as disclosed on Schedule 3.21, the Acquired Companies will

immediately after the Closing continue to have coverage under all of the Liability Policies with respect to events occurring prior to the Closing.

Section 3.22 No Brokers. No Acquired Company has any Liability of any kind to, or is subject to any claim of, any broker, finder or agent in connection with the Contemplated Transactions other than those which will be borne by the Sellers.

Section 3.23 Full Disclosure. The Acquired Companies have provided the Buyer with all information under their control the Buyer has requested (in writing). Neither this Agreement (including the Schedules hereto) nor any certificates made or delivered in connection herewith contains any untrue statement of a material fact or, to Company's Knowledge, omits to state a material fact necessary to make the statements herein or therein not misleading, in view of the circumstances in which they were made.

ARTICLE IV INDIVIDUAL REPRESENTATIONS AND WARRANTIES OF THE SELLERS.

Each Seller severally, and not jointly, hereby represents and warrants to the Buyer, solely as to such Seller, that:

Section 4.01 Organization. In the case of each Seller that is not an individual, such Seller is duly organized, validly existing and in good standing (if such concept is recognized) under the laws of the jurisdiction of its organization.

Section 4.02 Power and Authorization. In the case of each Seller that is not an individual, the execution, delivery and performance by such Seller of this Agreement and each Ancillary Agreement to which such Seller is a party and the consummation of the Contemplated Transactions by such Seller are within the power and authority of such Seller and, if applicable, have been duly authorized by such Seller by all necessary action on the part of such Seller (and its Board of Directors (or equivalent) and, if applicable, holders of its Equity Interests). This Agreement and each Ancillary Agreement to which such Seller is a party (a) have been (or, in the case of Ancillary Agreements to be entered into at the Closing, will be when executed and delivered) duly executed and delivered by such Seller and (b) is a legal, valid and binding obligation of such Seller, Enforceable against such Seller in accordance with its terms.

Section 4.03 Authorization of Governmental Authorities. Except as disclosed on Schedule 4.03, no action by (including any authorization, consent or approval), or in respect of, or filing with, any Governmental Authority is required for, or in connection with, the valid and lawful (a) authorization, execution, delivery and performance by such Seller of this Agreement and each Ancillary Agreement to which such Seller is a party or (b) consummation of the Contemplated Transactions by such Seller.

Section 4.04 Noncontravention. Except as disclosed on Schedule 4.04, neither the execution, delivery and performance by such Seller of this Agreement or any Ancillary Agreement to which such Seller is a party nor the consummation of the Contemplated Transactions by such Seller will:

(a) assuming the taking of all necessary action by (including the obtaining of each necessary authorization, consent or approval) or in respect of, and the making of all filings with, Governmental Authorities, in each case, as disclosed on Schedule 4.03, violate any provision of any Legal Requirement applicable to such Seller; or

(b) conflict with or result in a breach or violation of, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) under, or result in termination of, or accelerate the performance required by, or result in a right of termination or acceleration under, or require any action by (including any authorization, consent or approval) or notice to any Person, or result in the creation of any Encumbrance upon any Shares, Options or Warrants of such Seller under, any of the terms, conditions or provisions of (i) any Government Order applicable to or otherwise affecting such Seller or its assets or properties, (ii) any material Contractual Obligation of such Seller, or (iii) the Organizational Documents of such Seller (if such Seller is not an individual).

Section 4.05 Title. Such Seller is the record and beneficial owner of the outstanding Equity Interests in the Company set forth opposite such Seller's name on Schedule 4.05, and such Seller has good and marketable title to such Equity Interests, free and clear of all Encumbrances. Such Seller has full right, power and authority to transfer and deliver to Buyer valid title to the Shares and Warrants held by such Seller, free and clear of all Encumbrances. Immediately following the Closing, Buyer will be the record and beneficial owner of such Shares and Warrants, and have good and marketable title to such Shares and Warrants, free and clear of all Encumbrances except as are imposed by Buyer. Except pursuant to this Agreement, there is no Contractual Obligation pursuant to which such Seller has, directly or indirectly, granted any option, warrant or other right to any Person to acquire any Equity Interests in an Acquired Company. Except as disclosed on Schedule 4.05, such Seller is not a party to, and the Equity Interests in the Company set forth opposite such Seller's name on Schedule 4.05 are not subject to, any shareholders agreement, voting agreement, voting trust, proxy or other Contractual Obligation relating to the transfer or voting of such Equity Interests that could affect the consummation of the Contemplated Transactions or result in a Liability of the Acquired Companies or Buyer.

Section 4.06 No Brokers. Except as disclosed in Schedule 4.06, such Seller has no Liability that is or expected to be borne by any Acquired Company or the Buyer to any broker, finder or agent with respect to the Contemplated Transactions, and such Seller agrees to satisfy in full any Liability required to be disclosed on Schedule 4.06.

ARTICLE V REPRESENTATIONS AND WARRANTIES OF THE BUYER.

The Buyer represents and warrants to the Sellers that:

Section 5.01 Organization. The Buyer is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization.

Section 5.02 Power and Authorization. The execution, delivery and performance by the Buyer of this Agreement and each Ancillary Agreement to which the Buyer is a party and the consummation of the Contemplated Transactions by the Buyer are within the power and authority of the Buyer and have been duly authorized by all necessary action on the part of the Buyer. This Agreement and each Ancillary Agreement to which the Buyer is a party (a) have been duly executed and delivered by the Buyer and (b) is a legal, valid and binding obligation of the Buyer, enforceable against the Buyer in accordance with its terms.

Section 5.03 Authorization of Governmental Authorities. Except as disclosed on Schedule 5.03, no action by (including any authorization, consent or approval), or in respect of, or filing with, any Governmental Authority is required for, or in connection with, the valid and lawful (a) authorization, execution, delivery and performance by the Buyer of this Agreement and each Ancillary Agreement to which it is a party or (b) consummation of the Contemplated Transactions by the Buyer.

Section 5.04 Noncontravention. Except as disclosed on Schedule 5.04, neither the execution, delivery and performance by the Buyer of this Agreement or any Ancillary Agreement to which it is a party nor the consummation of the Contemplated Transactions will:

(a) assuming the taking of any action by (including the obtaining of each necessary authorization, consent or approval) or in respect of, and the making of all filings with, Governmental Authorities, in each case, as disclosed on Schedule 5.03, violate any provision of any Legal Requirement applicable to the Buyer; or

(b) conflict with or result in a breach or violation of, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) under, or result in termination of, or accelerate the performance required by, or result in a right of termination or acceleration under, or require any action by (including any authorization, consent or approval) or notice to any Person under, any of the terms, conditions or provisions of (i) any Government Order applicable to or otherwise affecting the Buyer or its assets or properties, (ii) any material Contractual Obligation of the Buyer, or (iii) the Organizational Documents of the Buyer.

Section 5.05 No Brokers. The Buyer has no Liability of any kind to any broker, finder or agent with respect to the Contemplated Transactions for which the Sellers could be liable.

ARTICLE VI COVENANTS OF THE PARTIES

Section 6.01 [Reserved]

Section 6.02 [Reserved]

Section 6.03 [Reserved].

Section 6.04 Expenses. Each party (other than the Sellers' Representative) will pay its own respective financial advisory, legal, accounting and other expenses incurred by it or for its benefit in connection with the preparation and execution of this Agreement and the Ancillary Agreements, the compliance herewith and therewith and the Contemplated Transactions.

Section 6.05 Confidentiality.

(a) Confidentiality of the Sellers. Each Seller acknowledges that the success of the Acquired Companies after the Closing depends upon the continued preservation of the confidentiality of certain information possessed by such Seller, that the preservation of the confidentiality of such information by such Seller is an essential premise of the bargain between the Sellers and the Buyer, and that the Buyer would be unwilling to enter into this Agreement in the absence of this Section 6.05(a). Accordingly, each Seller hereby severally agrees with the Buyer that such Seller, its Affiliates and its and its Affiliate's Representatives shall not, and that such Seller shall cause its Affiliates and such Representatives not to, at any time on or after the Closing Date, directly or indirectly, without the prior written consent of the Buyer, disclose or use, any confidential information involving or relating to the Business or any Acquired Company (other than in the case of a Seller that is a director, officer or employee of an Acquired Company, in the course of fulfilling his or her duties to the Acquired Companies in such capacity); provided, that the information subject to this Section 6.05(a) will not include (i) any information generally available to, or known by, the public (other than as a result of disclosure in violation hereof by such Seller), (ii) independently developed without reference to such information or (iii) provided by a third party not known to such Seller to be under an obligation of confidentiality with respect to such information; provided, further, that the provisions of this Section 6.05(a) will not prohibit any retention of copies of records or disclosure (A) required by any applicable Legal Requirement so long as reasonable prior notice is given to Parent and the Company of such disclosure and a reasonable opportunity is afforded Parent and the Company to contest the same, (B) made to the Seller's legal and/or financial advisors, or (C) made in connection with the enforcement of any right or remedy relating to this Agreement or the Contemplated Transactions. Each Seller agrees that it shall be responsible for any breach or violation of the provisions of this Section 6.05(a) by any of its Affiliates or its or its Affiliates' Representatives.

(b) Notwithstanding the foregoing, each of the parties hereto and their respective Representatives may disclose to any and all Persons, without limitation of any kind, the tax treatment and tax structure of the Contemplated Transactions and all materials of any kind (including opinions or other tax analyses) that are provided to it relating to such tax treatment and tax structure, all as contemplated by Treasury Regulation Section 1.6011-4(b)(3)(iii). For the avoidance of doubt, nothing contained in this Agreement limits, restricts or in any other way affects any Seller's communicating with any Governmental Authority, or communicating with any official or staff person of a Governmental Authority, concerning matters relevant to such Governmental Authority.

Section 6.06 Publicity. No public announcement or disclosure (including any general announcement to employees, customers or suppliers) will be made by any party with respect to the subject matter of this Agreement or the Contemplated Transactions without the prior written consent of the Buyer, the Company and the Sellers' Representative; provided, that the provisions of this Section 6.06 shall not prohibit any disclosure (a) required by any applicable Legal Requirements (in which case the disclosing party will provide the other parties with the opportunity to review and comment in advance of such disclosure), (b) made in connection with the enforcement of any right or remedy relating to this Agreement or any Ancillary Agreement or the Contemplated Transactions, (c) by any party (or any Affiliate or member thereof) as part of such party's (or its Affiliate's or member's) ordinary course reporting or review procedures or

(d) by a Party to its Representatives, investors or prospective investors. Without limiting the foregoing, the parties hereby acknowledge and agree that, following the public announcement of the Closing, institutional Company Securityholders shall be permitted to list, attach, append, refer to or otherwise use details of the names of the Acquired Companies, the nature of the Business, the existence of the Contemplated Transactions and identity of Buyer, and the fact of such Company Securityholders' investment in the Acquired Companies in or to any marketing or publicity material (including on the website of such Company Securityholders).

Section 6.07 Release. As a material inducement to the Buyer to enter into this Agreement, effective as of the Closing, each Seller, on behalf of itself, himself or herself; its, his or her past, present and future officers, directors, managers, equityholders, subsidiaries and other Affiliates; and each of their respective beneficiaries, heirs, dependents, Representatives, agents, predecessors, successors and assigns (collectively, the “Releasing Parties”) agrees not to sue, and fully releases and discharges the Buyer and its Affiliates (including the Acquired Companies) and each of their respective directors, officers, assigns and successors, past and present (collectively, the “Releasees”), with respect to and from any and all claims, demands, rights, liens, contracts, covenants, actions, causes of action, obligations, debts, and losses of whatever kind or nature in law, equity or otherwise, whether now known or unknown, and whether or not concealed or hidden, all of which such Seller now own or hold or have at any time owned or held against the Releasees relating to or arising out of the operation or ownership of the Acquired Companies prior to the Closing; provided, however, that nothing in this Section 6.04 will be deemed to constitute a release by such Seller of any right to Compensation or any right to enforce their respective rights under this Agreement. It is the intention of each Seller that such release be effective as a bar to each and every claim, demand and cause of action hereinabove specified, except with respect to any right of such Seller to Compensation or any right to enforce their respective rights under this Agreement. In furtherance of this intention, each Seller hereby expressly waives, effective as of the Closing and subject to the exceptions set forth in this Section 6.07, any and all rights and benefits conferred upon such party by the provisions of applicable Legal Requirement, and expressly consents that this release will be given full force and effect according to each and all of its express terms and provisions, including those related to unknown and unsuspected claims, demands and causes of action, if any, as those relating to any other claims, demands and causes of action hereinabove specified, but only to the extent such section is applicable to releases such as this Section 6.07.

Section 6.08 Nonsolicitation.

(a) [Reserved]¹⁹

(b) For a period of 12 months from and after the Closing Date (the “Restricted Period”), the Sellers shall not, and shall not permit, cause or encourage any of their Affiliates to, (i) solicit, lure or entice away, or in any other manner persuade or attempt to persuade, any Person who is an employee or consultant of any of the Acquired Companies as of the Closing Date to leave the employ of, or otherwise terminate or diminish his or her relationship with, any

¹⁹ **Seller NTD:** Most Sellers are financial investors that will not agree to limit their investments and are in any event not a threat to the Company. Sellers that are employees are bound or will be bound by the terms of their employment agreement.

Acquired Company, provided, however, that this Agreement shall not prohibit soliciting the employment of any such individual whose employment has been terminated by the Acquired Companies; and provided, further, that the placement of advertisements in newspapers, online job boards, journals or other general circulations not directed or targeted to any such individual shall not constitute solicitation for purposes of this Section 6.08; or (ii) solicit or encourage any Person who is or has been a customer, vendor, supplier, or other business partner of any Acquired Company (each, a “Business Partner”), or any prospective Business Partner, as of the Closing Date to terminate or diminish its, his or her relationship with the Acquired Companies.

(c) If the final judgment of a court of competent jurisdiction declares that any term or provision of this Section 6.08 is invalid or unenforceable, the parties hereto agree that the court making the determination of invalidity or unenforceability will have the power to reduce the scope, duration, or area of the term or provision, to delete or modify specific words or phrases, or to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, and this Agreement will be enforceable as so modified after the expiration of the time within which the judgment may be appealed. Further, each Seller agrees that, (i) were such Seller to breach any of the covenants contained in this Section 6.08, the damage to the Buyer and the Acquired Companies may be irreparable, (ii) the Buyer, in addition to any other remedies available to it, shall be entitled to seek preliminary and permanent injunctive relief against any breach or threatened breach by such Seller of any such covenants together with an award of its reasonable attorneys’ fees incurred in enforcing its rights hereunder, (iii) the Restricted Period applicable to a Seller shall be tolled, and shall not run, during the period of any breach by such Seller of this Section 6.08, and (iv) no breach of any provision of this Agreement shall operate to extinguish a Seller’s obligation to comply with this Section 6.05.

Section 6.09 D&O Tail.

(a) From and after the Closing Date, Buyer shall cause the Acquired Companies to fulfill and honor in all respects the obligations of the Acquired Companies pursuant to any indemnification provisions under the Acquired Companies’ Organizational Documents as in effect on the date hereof and any indemnification agreement between an Acquired Company, on the one hand, and any of its current or former directors and officers (collectively, the “D&O Indemnitees”), on the other hand, with respect to acts or omissions by them in their capacities as such at any time at or prior to the Closing Date (including in connection with this Agreement or the Contemplated Transactions).

(b) The Company shall obtain and fully pay the premium for “tail” directors’ and officers’ liability and fiduciary liability insurance policies for the benefit of each Person who is currently covered by the Acquired Companies’ directors’ and officers’ liability insurance policy with an effective date no later than the Closing Date and with levels of coverage, terms and conditions that are at least as favorable to such Person as the directors’ and officers’ liability and fiduciary liability insurance policies covering the Company in effect as of the date of this Agreement.

(c) This Section 6.09 shall survive the consummation of the Contemplated Transactions and the Closing Date, is intended to benefit and may be enforced by the D&O

Indemnitees (or their heirs) and shall be binding on all successors and assigns of Buyer and the Acquired Companies. If the Acquired Companies or any of their respective successors or assigns (i) shall consolidate with or merge into any other Person and shall not be the continuing or surviving corporation or entity of such consolidation or merger or (ii) shall transfer all or substantially all of its properties and assets to any Person, then, and in each such case, proper provisions shall be made so that the successors and assigns of the Acquired Companies shall assume all of the obligations set forth in this Section 6.09. Buyer shall, and shall cause the Company to, cooperate in good faith with the D&O Indemnitees to use the D&O tail policy with respect to claims relating to acts or omissions occurring prior to the Closing. The obligations of Buyer and the Company (following the consummation of the Transactions contemplated by this Agreement) or its successors under this Section 6.09 shall not be terminated, amended or otherwise modified in such a manner as to adversely affect any D&O Indemnitee (or his or her heirs) without the prior written consent of such D&O Indemnitee (or his or her heirs, as applicable).

Section 6.10 [Reserved]

Section 6.11 [Reserved]

Section 6.12 [Reserved]

Section 6.13 Further Assurances. From and after the Closing Date, upon the request of either the Sellers' Representative, the Buyer or any Acquired Company, each of the parties hereto shall do, execute, acknowledge and deliver all such further acts, assurances, deeds, assignments, transfers, conveyances and other instruments and papers as may be reasonably required or appropriate to carry out the Contemplated Transactions.

Section 6.14 Employees and Benefits; Retention Pool

(a) To the extent that service is relevant for purposes of eligibility or vesting under any employee benefit plan, program or arrangement (other than any defined benefit pension plan) established or maintained by Buyer or by the Acquired Companies following the Closing Date for the benefit of the Acquired Companies' employees, such plan, program or arrangement shall credit, to the extent permitted, such Acquired Companies' employees for service with the Acquired Companies on and prior to the Closing Date, except as would cause a duplication of benefits or coverage for the same period of service. In addition, for the planned year in which the Closing occurs, with respect to any group health plan established or maintained by Buyer or by the Acquired Companies following the Closing Date for the benefit of Acquired Companies' employees, Buyer agrees to use commercially reasonable efforts to: (i) waive any pre-existing condition exclusions and (ii) provide that any covered expenses incurred on or before the Closing Date by any Acquired Companies' employee or by a covered dependent shall be taken into account for purposes of satisfying applicable deductible coinsurance and maximum out of pocket provisions after the Closing Date.

(b) Buyer intends to offer each of the employees to be employed by Buyer or remain employees of the Company or the applicable Acquired Company after the Closing on terms that

are, as of the Closing Date, no less favorable than the current terms of employment of each such employee.

(c) Buyer undertakes to pay or cause the Acquired Companies to pay certain employees identified on Exhibit 6.14(c) the retention bonuses set forth opposite each such employee's name on Exhibit 6.14(c), in the aggregate amount of the Retention Amount, on terms set forth on Exhibit 6.14(c).

(d) Parent undertakes to grant to each Vested Optionholder: (i) shares of Common Stock of Parent in such number as set forth opposite such Vested Optionholder's name on the Allocation Statement. With respect to Vested Optionholders that are employed by the Israeli Subsidiary, such shares shall be granted under the capital gains route pursuant to Section 102; and (ii) options to acquire shares of Common Stock of Parent, at an exercise price of \$0.01 per share, which shall vest monthly on a linear basis over a period of 24 months commencing as of the Closing. The number of options to be granted to each Vested Optionholder shall be in equal number (and will be in addition) to the number of shares granted to such Optionholder pursuant to Subsection 6.14(d)(i) above. With respect to Vested Optionholders that are employed by the Israeli Subsidiary, the shares and options granted under this Section 6.14(d) shall be granted under the capital gains route pursuant to Section 102.

ARTICLE VII

[Reserved]

ARTICLE VIII

[Reserved]

ARTICLE IX TAX MATTERS

Section 9.01 Tax Sharing Agreements. All Tax sharing agreements or similar Contractual Obligations and all powers of attorney with respect to or involving any Acquired Company are terminated effective as of the date hereof and the Acquired Companies will not be bound thereby or have any Liability thereunder.

Section 9.02 Certain Taxes and Fees. All transfer, documentary, sales, use, stamp, registration and other such Taxes, and any conveyance fees or recording charges incurred in connection with the Contemplated Transactions ("Transfer Taxes") will be timely paid by Sellers when due. The Sellers' Representative will, at the expense of the Sellers, file all necessary Tax Returns and other documentation with respect to all such Transfer Taxes and, if required by applicable Legal Requirements, the Buyer will (and will cause their Affiliates to) join in the execution of any such Tax Returns and other documentation. [internal – I think this is not applicable so I did not make any revisions].

Section 9.03 Cooperation on Tax Matters. The Buyer, the Acquired Companies, the Sellers' Representatives and the Sellers will reasonably cooperate, as and to the extent reasonably requested by the Buyer, the Acquired Companies or the Sellers' Representatives, in connection with any Tax matters relating to the Acquired Companies (including by the provision of reasonably relevant records or information).

Section 9.04 Straddle Period Allocation. For all purposes of this Agreement (including the calculation of Accrued Income Taxes), any Taxes of any Acquired Company for any Straddle Period shall be allocated between the Pre-Closing Tax Period and the Post-Closing Tax Period as follows: (i) the amount of any Taxes based upon or measured by income, gain, activities, events, receipts, proceeds, profits or other similar items for the Pre-Closing Tax Period and the Post-Closing Tax Period, respectively, shall be determined based on an interim closing of the books as of the close of business of the day immediately preceding the Closing Date; and (ii) the amount of Taxes other than those described in clause (i) that relate to the Pre-Closing Tax Period shall be deemed to be the amount of such Taxes for the entire Straddle Period multiplied by a fraction, the numerator of which is the number of days in the portion of such Straddle Period ending on the Closing Date and the denominator of which is the number of days in such Straddle Period and the remaining amount of such Taxes shall be allocated to the Post-Closing Tax Period (and for such purpose, the Taxable period of any partnership or other pass-through entity or controlled foreign corporation (as defined in section 957 of the Code) shall be deemed to end as of the Closing Date); provided that exemptions, allowances or deductions that are calculated on an annual basis, such as the deduction for depreciation (other than with respect to property placed in service after the Closing), shall be apportioned on a daily basis and Taxes that are computed on a periodic basis, such as property Taxes shall also be apportioned on a daily basis.

Section 9.05 Intended U.S. Tax Treatment. []²⁰.

ARTICLE X SURVIVAL; RECOURSE LIMITATIONS

Section 10.01 Survival. The representations and warranties of the parties contained in this Agreement shall terminate automatically as of the Closing, and no Party or any of its Affiliates or its or their respective Representatives will have any recourse against the other party or any of its Affiliates or its or their respective Representatives with respect to such representations, warranties, covenants and agreements. The covenants and agreements contained in this Agreement that are to be performed after the Closing will survive the Closing in accordance with their terms. Notwithstanding anything in this Agreement (including in this Section 10.01 or Section 10.02) or otherwise to the contrary, nothing will limit or reduce Buyer's ability to make claims or recover or receive any remedy from any Person with respect to claims arising from fraud committed by such Person.

Section 10.02 Recourse Limitations.

(a) Other than claims arising from fraud committed by the Person, no director, officer, employee, incorporator, manager, member, partner, stockholder, shareholder, Affiliate,

²⁰ **Note to Draft:** Subject to finalization of transaction structure.

parent of, or holder of any equity interest in, any tier, agent, attorney or representative of the Company, Sellers or Buyer (each, a “Non-Party Affiliate”) shall have any liability (whether in contract or in tort, in law or in equity, or based upon any theory that seeks to impose liability of an entity party against its owners or Affiliates, whether by or through attempted piercing of the corporate, limited partnership or limited liability company veil or any other theory or doctrine, including alter ego or otherwise) to any Person for any obligations or liabilities arising under, in connection with or related to this Agreement or for any claim based on, in respect of, or by reason of (a) this Agreement or any agreement contemplated hereby, (b) the negotiation or execution of or performance of any obligation under this Agreement or any agreement contemplated hereby, (c) any breach or violation of this Agreement or any agreement contemplated hereby or (d) any failure of the Contemplated Transactions to be consummated. Non-Party Affiliates are expressly intended as third-party beneficiaries of this Section 8.02. The provisions of this Section 8.02 shall survive the consummation of the Contemplated Transactions.

ARTICLE XI MISCELLANEOUS

Section 11.01 Notices. Any notice, request, demand, claim or other communication required or permitted to be delivered, given or otherwise provided under this Agreement must be in writing and must be delivered personally, delivered by nationally recognized overnight courier service, sent by certified or registered mail, postage prepaid, or sent by email. Any such notice, request, demand, claim or other communication shall be deemed to have been delivered and given (a) when delivered, if delivered personally, (b) the Business Day after it is deposited with such nationally recognized overnight courier service, if sent for overnight delivery by a nationally recognized overnight courier service, (c) the day of sending, when transmitted by electronic mail to the email address set out below (so long as such transmission does not generate an error message or notice of non-delivery) or (d) five Business Days after the date of mailing, if mailed by certified or registered mail, postage prepaid, in each case, to the following address or, if applicable, facsimile number, or to such other address or addresses or facsimile number or numbers as such party may subsequently designate to the other parties by notice given hereunder:

If to the Buyer (or to the Company), to:

Raptor Technologies, Inc.
190 West Tasman Drive
San Jose, CA 95134
Attn:
Email:

with a copy (which shall not constitute notice) to:

and

If to any of the Sellers, to such Seller in care of the Sellers' Representative, and if to the Sellers' Representative, to:

[Insert Address]

Attn:

Email:

with a copy (which shall not constitute notice) to:

Each of the parties to this Agreement may specify a different address or email address by giving notice in accordance with this Section 11.01 to each of the other parties hereto.

Section 11.02 Succession and Assignment; No Third-Party Beneficiaries. Subject to the immediately following sentence, this Agreement will be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns, each of which such successors and permitted assigns will be deemed to be a party hereto for all purposes hereof. No party may assign, delegate or otherwise transfer either this Agreement or any of its rights, interests or obligations hereunder without the prior written approval of the other parties (with the Sellers' Representative acting for all of the Sellers), and any attempt to do so will be null and void *ab initio*; provided, that (a) the Buyer may assign this Agreement and any or all of its rights and interests hereunder to one or more of its Affiliates or designate one or more of its Affiliates to perform its obligations hereunder, in each case, so long as the Buyer is not relieved of any liability or obligations hereunder and (b) the Buyer may assign this Agreement and any or all of its rights and interest hereunder to any purchaser of all or substantially all its assets or designate such purchaser to perform its obligations hereunder. Except as expressly provided herein, this Agreement is for the sole benefit of the parties hereto and their successors and permitted assignees and nothing herein expressed or implied will give or be construed to give any Person, other than the parties hereto and such successors and permitted assignees, any other right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 11.03 Amendments and Waivers. No amendment or waiver of any provision of this Agreement will be valid and binding unless it is in writing and signed, in the case of an amendment, by Parent, the Company and the Sellers' Representative (acting for all of the Sellers), or in the case of a waiver, by the party (or in the case of any or all of the Sellers, by the Sellers' Representative) against whom the waiver is to be effective. No waiver by any party of any breach or violation of, default under or inaccuracy in any representation, warranty or covenant hereunder, whether intentional or not, will be deemed to extend to any prior or subsequent breach or violation of, default under, or inaccuracy in, any such representation, warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence. No delay or omission on the part of any party in exercising any right, power or remedy under this Agreement will operate as a waiver thereof.

Section 11.04 Provisions Concerning the Sellers' Representative.

(a) Appointment. Each Seller hereby irrevocably appoints [●] as the sole and exclusive agent, proxy and attorney-in-fact for such Seller for all purposes of this Agreement, the Escrow Agreement and the Contemplated Transactions, with full and exclusive power and authority to act on such Seller's behalf (the "Sellers' Representative"). The appointment of the Sellers' Representative hereunder is coupled with an interest, shall be irrevocable and shall not be affected by the death, incapacity, insolvency, bankruptcy, illness or other inability to act of any Seller. Without limiting the generality of the foregoing, the Sellers' Representative is hereby authorized, on behalf of the Sellers, to:

(i) in connection with the Closing, execute and receive all documents, instruments, certificates, statements and agreements on behalf of and in the name of each Seller necessary to effectuate the Closing and consummate the Contemplated Transactions;

(ii) receive and give all notices and service of process, make all filings, enter into all Contractual Obligations, make all decisions, bring, prosecute, defend, settle, compromise or otherwise resolve all claims, disputes and Actions, authorize payments in respect of any such claims, disputes or Actions, and take all other actions, in each case, with respect to the matters set forth in Section 2.06, Article VII, Article VIII or any other Actions directly or indirectly arising out of or relating to this Agreement, the Escrow Agreement or the Contemplated Transactions;

(iii) receive and give all notices, make all decisions and take all other actions on behalf of the Sellers in connection with the escrow account established pursuant to the Escrow Agreement, including giving any instructions or authorizations to the Escrow Agent to pay from such escrow account any amounts owed by the Sellers pursuant to this Agreement or the Escrow Agreement or otherwise in connection with the Contemplated Transactions;

(iv) execute and deliver, should it elect to do so in its good faith discretion, on behalf of the Sellers, any amendment to, or waiver of, any term or provision of this Agreement or the Escrow Agreement, or any consent, acknowledgment or release relating to this Agreement or the Escrow Agreement; and

(v) take all other actions permitted or required to be taken by or on behalf of the Sellers under this Agreement or the Escrow Agreement and exercise any and all rights that the Sellers or the Sellers' Representative are permitted or required to do or exercise under this Agreement or the Escrow Agreement.

(b) Liability. The Sellers' Representative shall not be held liable by any of the Sellers for actions or omissions in exercising or failing to exercise all or any of the power and authority of the Sellers' Representative pursuant to this Agreement, except in the case of the Sellers' Representative's gross negligence, bad faith or willful misconduct. The Sellers' Representative shall be entitled to rely on the advice of counsel, public accountants or other independent experts that it reasonably determines to be experienced in the matter at issue, and will not be liable to any Seller for any action taken or omitted to be taken in good faith based on such advice. Each Seller will severally (and not jointly) indemnify (in accordance with its Pro

Rata Percentage) the Sellers' Representative from any Losses arising out of its serving as the Sellers' Representative hereunder, except for Losses arising out of or caused by the Sellers' Representative's gross negligence, bad faith or willful misconduct. The Sellers' Representative is serving in its capacity as such solely for purposes of administrative convenience, and is not personally liable in such capacity for any of the obligations of the Sellers hereunder, and the Buyer agrees that it will not look to the personal assets of the Sellers' Representative, acting in such capacity, for the satisfaction of any obligations to be performed by the Sellers hereunder.

(c) Reliance on Appointment; Successor Sellers' Representative. The Buyer may rely on the appointment and authority of the Sellers' Representative granted pursuant to this Section 11.04 until receipt of written notice of the appointment of a successor Sellers' Representative made in accordance with this Section 11.04. In so doing, the Buyer may rely on any and all actions taken by and decisions of the Sellers' Representative under this Agreement and the Escrow Agreement notwithstanding any dispute or disagreement among any of the Sellers or the Sellers' Representative with respect to any such action or decision without any Liability to, or obligation to inquire of, any Seller, the Sellers' Representative or any other Person. Any decision, act, consent or instruction of the Sellers' Representative shall constitute a decision of all the Sellers and shall be final and binding upon each of the Sellers. At any time after the Closing, with or without cause, by a written instrument that is signed in writing by holders of at least a majority-in-interest of the Sellers (determined by reference to their respective Pro Rata Percentages) and delivered to Parent, the Sellers may remove and designate a successor Sellers' Representative; provided, that such successor Sellers' Representative must be reasonably acceptable to Parent. If the Sellers' Representative shall at any time resign or otherwise cease to function in its capacity as such for any reason whatsoever, and no successor that is reasonably acceptable to Parent is appointed by such holders of a majority-in-interest of the Sellers within ten (10) Business Days, then Parent shall have the right to appoint another Seller to act as the replacement Sellers' Representative who shall serve as described in this Agreement and, under such circumstances, the Buyer shall be entitled to rely on any and all actions taken and decisions made by such replacement Sellers' Representative.

Section 11.05 Entire Agreement. This Agreement, together with the other Ancillary Agreements and any documents, instruments and certificates explicitly referred to herein, constitutes the entire agreement among the parties hereto with respect to the subject matter hereof and supersedes any and all prior discussions, negotiations, proposals, undertakings, understandings and agreements, whether written or oral, with respect thereto. There are no restrictions, promises, warranties, covenants, or undertakings, other than those expressly provided for herein and therein.

Section 11.06 Counterparts; Facsimile Signature. This Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute but one and the same instrument. This Agreement will become effective when duly executed and delivered by each party hereto. Counterpart signature pages to this Agreement may be delivered by facsimile or electronic delivery (*i.e.*, by email of a PDF signature page) and each such counterpart signature page will constitute an original for all purposes.

Section 11.07 Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction will not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction. In the event that any provision hereof would, under applicable Legal Requirements, be invalid or unenforceable in any respect, each party hereto intends that such provision will be construed by modifying or limiting it so as to be valid and enforceable to the maximum extent compatible with, and possible under, applicable Legal Requirements.

Section 11.08 Governing Law. This Agreement, the rights of the parties hereunder and all Actions arising in whole or in part under or in connection herewith (including any Action based upon, arising out of, or related to any representation or warranty made in connection with this Agreement or as an inducement to enter into this Agreement), will be governed by and construed and enforced in accordance with the domestic substantive laws of the State of Delaware, including its statute of limitations, without giving effect to any choice or conflict of law provision or rule that would cause the application of the laws of any other jurisdiction.

Section 11.09 Jurisdiction; Venue; Service of Process.

(a) Jurisdiction. Subject to the provisions of Sections 2.06, each of the parties to this Agreement, by its execution hereof, (i) hereby irrevocably submits to the exclusive jurisdiction of the state courts located in Wilmington, Delaware or the courts of the United States located in Wilmington, Delaware for the purpose of any Action among any of the parties relating to or arising in whole or in part under or in connection with this Agreement, any Ancillary Agreement or the Contemplated Transactions, (ii) hereby waives to the extent not prohibited by applicable Legal Requirements, and agrees not to assert, by way of motion, as a defense or otherwise, in any such Action, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that any such Action brought in one of the above-named courts should be dismissed on grounds of *forum non conveniens*, should be transferred or removed to any court other than one of the above-named courts, or should be stayed by reason of the pendency of some other Action in any other court other than one of the above-named courts or that this Agreement, any Ancillary Agreement or the subject matter hereof or thereof may not be enforced in or by such court and (iii) hereby agrees not to commence any such Action other than before one of the above-named courts. Notwithstanding the previous sentence a party may commence any Action in a court other than the above-named courts solely for the purpose of enforcing an order or judgment issued by one of the above-named courts.

(b) Venue. Each of the parties to this Agreement agrees that for any Action among any of the parties relating to or arising in whole or in part under or in connection with this Agreement, any Ancillary Agreement or the Contemplated Transactions, such party shall bring such Action only in the State of Delaware. Notwithstanding the previous sentence a party may commence any Action in a court other than the above-named courts solely for the purpose of enforcing an order or judgment issued by one of the above-named courts. Each party hereto further waives any claim and will not assert that venue should properly lie in any other location within the selected jurisdiction

(c) Service of Process. Each party hereby (i) consents to service of process in any Action between the parties arising in whole or in part under or in connection with this Agreement in any manner permitted by Delaware law, (ii) agrees that service of process made in accordance with clause (i) or made by registered or certified mail, return receipt requested, at its address specified pursuant to Section 8.01, will constitute good and valid service of process in any such Action and (iii) waives and agrees not to assert (by way of motion, as a defense, or otherwise) in any such Action any claim that service of process made in accordance with clause (i) or (ii) does not constitute good and valid service of process.

Section 11.10 Specific Performance. Each of the parties acknowledges and agrees that the other parties would be damaged irreparably in the event any of the provisions of this Agreement are not performed in accordance with their specific terms or otherwise are breached or violated. Accordingly, each of the parties agrees that, without posting a bond or other undertaking, the other parties will be entitled to an injunction or injunctions to prevent breaches or violations of the provisions of this Agreement and to enforce specifically this Agreement and the terms and provisions hereof in any Action instituted in any court of Israel or of the United States or any state thereof having jurisdiction over the parties and the matter in addition to any other remedy to which it may be entitled, at law or in equity. Each party further agrees that, in the event of any action for specific performance in respect of such breach or violation, it will not assert that the defense that a remedy at law would be adequate.

Section 11.11 Waiver of Jury Trial. TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW THAT CANNOT BE WAIVED, THE PARTIES HEREBY WAIVE, AND COVENANT THAT THEY WILL NOT ASSERT (WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE), ANY RIGHT TO TRIAL BY JURY IN ANY ACTION ARISING IN WHOLE OR IN PART UNDER OR IN CONNECTION WITH THIS AGREEMENT, ANY ANCILLARY AGREEMENT OR ANY OF THE CONTEMPLATED TRANSACTIONS, WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE. THE PARTIES AGREE THAT ANY OF THEM MAY FILE A COPY OF THIS PARAGRAPH WITH ANY COURT AS WRITTEN EVIDENCE OF THE KNOWING, VOLUNTARY AND BARGAINED-FOR AGREEMENT AMONG THE PARTIES IRREVOCABLY TO WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY IN ANY ACTION WHATSOEVER BETWEEN OR AMONG THEM RELATING TO THIS AGREEMENT, ANY ANCILLARY AGREEMENT OR ANY OF THE CONTEMPLATED TRANSACTIONS AND THAT SUCH ACTIONS WILL INSTEAD BE TRIED IN A COURT OF COMPETENT JURISDICTION BY A JUDGE SITTING WITHOUT A JURY.

Section 11.12 No Recourse. Notwithstanding any provision of this Agreement or otherwise, the parties hereto agree on their own behalf and on behalf of their respective Affiliates that this Agreement may only be enforced against, and any action, suit or claim for breach of this Agreement may only be made against, the parties hereto, and no non-party will have any liability relating to this Agreement or any of the transactions contemplated herein or therein.

Section 11.13 Schedules. Any information disclosed in any Schedule shall be deemed to be disclosed to Buyer for all purposes of this Agreement to the extent that the applicability of such disclosure is reasonably apparent on its face. Neither the specification of any Dollar

amount or any item or matter in any provision of this Agreement nor the inclusion of any specific item or matter in any Schedule is intended to imply that such amount, or higher or lower amounts, or the item or matter so specified or included, or other items or matters, are or are not material, and no Party may use the fact of the specification of any such amount or the specification or inclusion of any such item or matter in any dispute or controversy between the Parties as to whether any item or matter not specified in this Agreement or included in any Schedule is or is not material for purposes of this Agreement. In addition, neither the specification of any item or matter in any provision of this Agreement nor the inclusion of any specific item or matter in any Schedule is intended to imply that such item or matter, or other items or matters, are or are not in the ordinary course of business or in a manner consistent with past practice, and no Party may use the fact of the specification or the inclusion of any such item or matter in any dispute or controversy between the Parties as to whether any item or matter not specified in this Agreement or included in any Schedule is or is not in the ordinary course of business or in a manner consistent with past practice for purposes of this Agreement. In no event will the listing of any item or matter in any Schedule be deemed or interpreted to broaden or otherwise amplify the representations, warranties, covenants, or agreements contained in this Agreement. Summaries or descriptions of Contracts or other documents contained in the Schedules are qualified in their entirety by the Contracts or documents themselves.

Section 11.14 Legal Counsel; Consent and Waiver. In any dispute or Action arising out of or relating to this Agreement in connection with the Contemplated Transactions following the Closing, the Sellers will have the right, at its election, to retain Naschitz, Brandes, Amir & Co. (“NBA”) to represent it in such dispute or Action arising out of or relating to this Agreement or, even if such representation is adverse to Buyer, the Acquired Companies or its Affiliates. Buyer, for itself, the Acquired Companies and its and their Affiliates, and for its, the Acquired Companies’ and its Affiliates’ respective successors and assigns, hereby (a) consents to any such representation in any such dispute or Action arising out of or relating to this Agreement or in connection with the Contemplated Transactions and (b) waives any actual or potential conflict arising from any such representation, regardless of the existence of (i) any adversity between the interests of Sellers or any of their Affiliates, on the one hand, and Buyer, the Acquired Companies or any of its Affiliates, on the other hand, in any such matter or (ii) any communication between NBA, on the one hand, and Sellers, any of their Affiliates, or Sellers’ or any of their Affiliates’ employees, on the other hand, whether privileged or not, or any other information known to NBA by reason of NBA’s representation of the Company and Sellers prior to the Closing.

Section 11.15 Privileged Communications. NBA has acted as counsel for the Company Securityholders for various matters prior to the Closing, including in connection with this Agreement and the Ancillary Agreements, the negotiation and documentation of this Agreement and the Ancillary Agreements, and the consummation of the Contemplated Transactions (collectively, the “Pre-Closing Engagements”). Each Party agrees that (a) all communications in any form or format whatsoever between or among NBA, on the one hand, and the Company and the Company Securityholders, or any of their Representatives, on the other hand, that relate in any way to the Pre-Closing Engagements (collectively, the “Privileged Communications”) will be deemed to be attorney-client privileged, (b) neither this Agreement nor any of the other Ancillary Agreement shall effect any transfer of any right, title, or interest in the Privileged Communications to the Buyer or any Acquired Company (c) the Privileged Communications and

the expectation of client confidence relating thereto shall belong solely to Company Securityholders and may be controlled solely by the Sellers' Representative and shall not pass to or be claimed by any other Party, and (d) NBA shall have no duty whatsoever to reveal or disclose any such Privileged Communications, or any of its files relating to the Pre-Closing Engagements, to any Party other than the Sellers and the Sellers' Representative.

[Remainder of page intentionally left blank; Signature pages follow]

IN WITNESS WHEREOF, each of the undersigned has executed this Stock Purchase Agreement as of the date first above written.

BUYER: [BUYER]

By: _____
Name:
Title:

THE COMPANY: [COMPANY]

By: _____
Name:
Title:

SELLERS' REPRESENTATIVE: [SELLERS' REPRESENTATIVE]

By: _____
Name:
Title:

THE SELLERS: [●]