

Corporate Governance Principles

The Board of Directors of Promisum Software Ltd. is committed to discharging its duties in accordance with the highest ethical standards and practices, as well as applicable laws and regulations. The steps we have taken to fulfill this commitment include:

- The adoption of Corporate Governance Guidelines setting forth the roles and responsibilities of the Board and its directors regarding the corporate governance of Promisum Software Ltd.;
- A majority of our Board members are independent and are not employees of Promisum Software Ltd.;
- Our Board and Committees conduct regular meetings throughout the year;
- Our Audit Committee has established policies consistent with newly enacted corporate reform laws concerning auditor independence;
- KPMG LLP, our independent accountants, reports directly to the Audit Committee;
- The independent members of the Board meet regularly without the presence of management;
- The charters of our Board committees expressly enumerate the respective roles and responsibilities of the Committees;
- Promisum Software Ltd.'s Standards of Business Conduct include a conflict of interest policy applicable to all directors, officers and employees which is designed to ensure that key corporate decisions are made by individuals who do not have a financial interest in the outcome separate from their interest as directors, officers or employees;
- All employees are required to comply with Promisum Software Ltd.'s Standards of Business Conduct;
- Promisum Software Ltd. has a hot line available to all employees to facilitate confidential and anonymous reporting of any questionable activities;
- Through our internal audit control function, we monitor compliance with our global financial policies and practices over critical areas. These include internal controls, financial accounting and reporting, fiduciary accountability, and safeguarding of our corporate assets;
- We have established a Disclosure Committee comprised of cross-functional senior management personnel who are responsible for evaluating Promisum Software Ltd.'s disclosure controls and procedures on a quarterly basis and reviewing all periodic reports filed with the Securities and Exchange Commission and SPK; and
- Our CEO and CFO certify as to the accuracy of our periodic reports filed with the Securities and Exchange Commission and SPK.

Committees of the Board of Directors

Promissum Software Ltd. has established three committees of its Board of Directors to promote excellence in corporate governance. Each of these committees is comprised of independent board members who are not employees of Promissum Software Ltd.

Audit Committee

The purpose of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities relating to Promissum Software Ltd.'s financial accounting, reporting and controls. The Charter of the Audit Committee provides that the Audit Committee will:

- Monitor and evaluate periodic reviews of the adequacy of the accounting and financial reporting processes and systems of internal controls;
- Be directly responsible for the appointment, compensation and oversight of the work of Promissum Software Ltd.'s independent auditors, including resolution of any disagreements between management and the auditors regarding financial reporting;
- Review and evaluate the qualifications, independence and performance of Promissum Software Ltd.'s independent auditors;
- Monitor Promissum Software Ltd.'s compliance with legal and regulatory requirements;
- Monitor the performance of Promissum Software Ltd.'s internal audit function; and
- Facilitate communication among Promissum Software Ltd.'s independent accountants, financial and senior management and the Board.

Compensation Committee

The purpose of the Compensation Committee is to assist the Board in fulfilling its oversight responsibilities relating to Promissum Software Ltd.'s compensation policies. The Charter of the Compensation Committee provides that the Compensation Committee will:

- Review the incentive compensation programs of executive officers and approve annual salary, bonus, stock options and other benefits of executive officers and directors;
- Supervise Promissum Software Ltd.'s administration of its equity incentive plans; and
- Effect stock option grants and other awards. The Committee has delegated to the CEO the authority to grant options to employees of Promissum Software Ltd. who are not directors or executive officers, provided that no option grant exceeds 50,000 shares.

Corporate Governance and Nominating Committee

The purpose of the Corporate Governance and Nominating Committee is to assist the Board in fulfilling its oversight responsibilities relating to corporate governance and identification of candidates for

nomination to the Board. The Charter of the Corporate Governance and Nominating Committee provides that the Corporate Governance and Nominating Committee will:

- Advise and make recommendations to the Board on matters concerning corporate governance and directorship practices;
- Review potential or actual conflicts of interest between Board members and between Promisum Software Ltd. and other companies on which board a Board member of Promisum Software Ltd. may serve;
- Assist in the identification, evaluation and recruitment of potential candidates to fill Board vacancies that may be created by expansion of the number of members of the Board and by resignation, retirement or other termination of service of incumbent Board members;
- Identify a slate of nominees to be proposed by Promisum Software Ltd. for election at each annual meeting of stockholders; and
- Oversee the evaluation of the Board members and consider the performance and qualifications of each potential nominee not only for their individual strengths but also for their contribution to the Board as a group.