

On \_\_\_\_\_, 2021

To:  
Mr. Guy Elias

### **Letter of Exemption**

Whereas the Company resolved to exempt you, as an office holder of the Company, from your liability towards it for damage caused as a result of the breach of the duty of care towards the Company (hereinafter: the "**Exemption Resolution**"), other than for damage caused as a result of the breach of the duty of care owed by a director in distribution as defined in the Companies Law, 1999 (hereinafter: the "**Companies Law**"), and other than in the events which shall be specified in this Letter of Exemption below, in force from the closing date of an arrangement between the Company and its Debenture Holders (hereinafter: the "**Arrangement**"), and following the closing of the Arrangement and the approval of the Exemption Resolution by the meetings of the Company's Debenture Holders, on \_\_\_\_\_, 2021, the Exemption Resolution entered into force.

Therefore we hereby inform you that since you act and/or acted and/or may act as an Officer of the Company and/or Company's Subsidiaries and/or Affiliates and/or Investees and/or since you are employed and/or were employed and/or may be employed by the Company and/or Company's Subsidiaries and/or Affiliates and/or Investees (hereinafter: "**Affiliated Companies**"), the Company hereby irrevocably acknowledges and undertakes towards you, subject to the provisions of any law, as follows:

**Subject to the provision of any law applicable to the Company as a public company and particularly to Sections 259 and 263 of the Companies Law, 1999 and any statutory provision replacing them, and the Company's incorporation documents, the Company exempts you, in its name and in the name of anyone on its behalf, in advance, from any responsibility towards it for any damage which may be caused and/or which was caused to it, either directly or indirectly, as a result of the breach of your duty of care towards it in your actions and by virtue of your position as an Officer and/or employee of the Company and/or Company's Subsidiaries and/or Affiliates and/or Investees, other than the breach of the duty of care in distribution and/or any act taken by you with respect to resolution or transaction in which the controlling shareholder or any Officer of the Company has a personal interest and/or any action taken by you in bad faith and/or reckless or intentional breach of the duty of care and/or by and/or with the intention to unlawfully generate a personal gain and/or breach of a fiduciary duty, all with respect to the Company and/or Affiliated Companies and/or any act for which exemption may not be given as shall be determined in the future by law.**

In this Letter of Exemption words importing the masculine gender include the feminine gender. The terms in this Letter of Exemption shall be interpreted (unless otherwise specifically interpreted) according to the Companies Law, and in the absence of definition in the Companies Law, according to the Securities Law, 1968. In addition, and without derogating from the above, the following terms shall be interpreted as follows:

<p><b>"Action"</b> or any derivative thereof. For the purpose of this Letter of Exemption -</p>	<p>Including as defined in the Companies Law, including a resolution and/or omission (or any derivative thereof) and including all actions taken by you before the date of this Letter of Exemption during the periods in which you were employed by the Company or acted as an Officer of the Company and/or while you acted as an Officer, employee or agent of the Company in another entity in which the Company holds securities, either directly and/or indirectly.</p>
<p><b>"Officer"</b> For the purpose of this Letter of Exemption</p>	<p>As defined in the Companies Law and/or in any other law applicable to the Company's activity and its Officers including any person that the Company shall resolve to give him a Letter of Exemption.</p>

The Company's undertakings according to this Letter of Exemption shall be broadly interpreted in a manner intended to uphold them, to the maximum extent permitted by law, for their designated purpose. If it is determined that any provision of this Letter of Exemption is unenforceable and/or not valid for any reason and/or in the event of conflict between any provision of this Letter of Exemption and any mandatory provision which may not be contracted-out, changed or added to, said mandatory provision shall prevail, but it shall neither prejudice nor derogate from the validity of all other provisions of this Letter of Exemption.

This Letter of Exemption is personal. It does not constitute an agreement for the benefit of a any third party including an insurer and is unassignable. Without derogating from the generality of the aforesaid, the Company's undertakings according to this Letter of Exemption shall inure for your benefit and for the benefit of anyone replacing you pursuant to any law, including your estate, without any limitation of time, including after the termination of your office as an Officer in the Company and/or in the Company's Subsidiaries and/or Affiliated Companies and/or Investees, as the case may be, regardless of the event disclosure date, provided that the Actions for which this Letter of Exemption is given were carried out while you were holding the

position of an Officer in the Company and/or in the Company's Subsidiaries and/or Affiliates and/or Investees, including with respect to Actions which commenced prior to the date of the Letter of Exemption.

The Company does not have the power, either by changing its name, its merger, division or any similar action, to limit or release the Company or anyone assuming upon itself the Company's obligations, from any obligation under this Letter of Exemption.

Without derogating from the Company's rights according to the law, the Company does not have the power to revoke this Letter of Exemption or limit it in retrospect, all subject to the following provisions. The Company shall be entitled at any time, at its sole and exclusive discretion, to revoke the exemption under this letter, or change any of its terms, either with respect to all Officers or only with respect to any of them, to the extent reference is made to events occurring after the date of the change – provided that prior notice of Company's said intention is given to you at least 30 business days before the effective date of any such resolution. For the avoidance of doubt it is clarified that any resolution as aforesaid which either exacerbates the terms of this Letter or revokes it, shall have no retroactive effect of any kind and the Letter of Exemption as in effect prior to the change or the revocation, as the case may be, shall continue to apply and be in force for all intents and purposes with respect to any event which occurred prior to any such change or revocation.

Any waiver, delay, non-action or extension granted by you or by the Company shall not be interpreted under any circumstances as a waiver, shall not prejudice the rights and obligations of the parties according to this Letter of Exemption and/or pursuant to any law, and shall not prevent any party from taking all required actions to exercise its rights.

Nothing stated in this Letter of Exemption shall derogate from the provisions of the letter of indemnity given to you by the Company, if any, nor shall it derogate from the Company's undertaking to indemnify you and hold you harmless, if and to the extent any such obligation exists.

The law governing this Letter of Exemption is Israeli law and the competent court in Tel Aviv is vested with the exclusive jurisdiction to adjudicate disputes arising from the implementation of this agreement.

The Letter constitutes an exclusive and all-inclusive consent of the terms and provisions applicable to your engagement with the Company with respect to the matters contemplated therein. This document overrides any consent, declaration, agreement and understanding which were made, if any, between you and the Company in connection with the matters contemplated in this Letter of Exemption, either orally or in writing, prior to the execution of this Letter.

In Witness Whereof, the Company affixed its signature below, by its duly authorized signatories.

---

**Kardan NV**

I hereby certify receipt of this Letter of Exemption and my consent to all of its terms.<sup>1</sup>

Date:

---

**Guy Elias**

---

<sup>1</sup> This Letter of Exemption shall enter into force only after its execution by the Officer.