ARGO
Properties N.V.

Argo Properties N.V. (the Company)

Remuneration Policy

February 2021

The Company hereby presents its remuneration policy, which has been prepared and approved by the Company's Board of Directors[1] in accordance with the Companies Law, 1999 (hereinafter: "**the Law**" or "**the Companies Law**").

It should be clarified that the aforementioned policy does not in any way establish any right for officers to whom the policy applies, or to any third party, and the Company's authorized organs are not necessarily required to make any use of all components presented in the following policy. Should an officer receive remuneration that is lower than the remuneration according to the policy, the matter will not be considered a deviation from, or an exception to, the Company's remuneration policy and his terms of employment will therefore not necessitate obtaining approval for a deviation from the remuneration policy.

I. General

1. About the Company

The Company is a Dutch company incorporated in 2018 which intends to register its shares for trading on the Tel Aviv Stock Exchange in the course of 2021. Since its establishment, the Company has been operating in the German real estate market. The Company acquires, manages and appreciates residential buildings in the cities of Leipzig, Dresden and Magdeburg and develops and converts office properties in Berlin through subsidiaries and sub-subsidiaries (the Company and these corporations shall be called collectively "the Group).

These cities enjoy positive long-term economic and demographic trends and as a result, structural demand surpluses and a steady increase in prices in these areas of activity.

2. The Company's Goals and Business Strategy

The Company's objective is to provide its shareholders with surplus return relative to risk level by investing in quality assets with long-term <u>potential for appreciation</u> (organic rent increases, apartment sales, zoning changes) combined with specific management expertise. Achievement of this objective is based on –

- **<u>Acquisition Policy</u>:** Acquisition of quality residential buildings for rent in growing city centers, where the assets' book value is lower than the costs of construction and the assets represent a significant potential for appreciation through rent increases / sale of apartments / realization of unutilized building rights.

- **<u>Appreciation</u>:** Rent increases in assets after their acquisition while taking advantage of the difference between rent upon asset acquisition and market rates.

1 On _____2021

- **Privatization:** In the medium term – renovation and sale of condo apartments to end-users in cities where ownership rates are drastically lower (10-20%) than the average in Germany (approx. 50%), and are expected to rise, due to, among other things, to the continued trend of rent increases and growth in the rent burden (approx. 22% of disposable income at present) on tenants along with the increase in household purchasing power as a result of economic growth that is expected to continue in those cities in the foreseeable future, and combined with an impetus from historically low mortgage interest rates in Germany.

- **Office Development in Berlin:** The Company has two office projects in Berlin. (1) Athena – Conversion of approx. 6.6 thousand square meters (gross) of commercial structures into modern office space; (2) Diana – the Company is advancing a plan for the construction of up to approx. 22,000 square meters (gross) of office space in two buildings.

- **Geographical Focus:** Acquisition of residential assets in established central residential neighborhoods in the cities of Leipzig, Dresden and Magdeburg (all federal capitals/the largest city in a federal state) in proximity to public transportation, educational institutions and shopping centers. All of the Company's assets target the middle-high class. The Company does not own assets in peripheral locations/satellite towns/low socio-economic neighborhoods.

- **Management:** Fully vertical, relying on approx. 25 employees in 3 offices. Senior management has an average of 16 years experience in German real estate with successful investments totaling over EUR 2 billion.

- **Financing:** Conservative financial policy, while maintaining leverage of no more than 50% for a single asset and without the Company taking on additional debt; adapting the financing structure at the time of acquisition of the asset – including the loan period, selection of the financial instrument to hedge against interest losses, creation of exit/early redemption points without penalty, agreement with the bank regarding deferred redemption of principal for the period until stabilization of the asset's operating parameters (while using the excess cash flow for capital investments in the asset) until the business plan objectives are met, creation of a capital investment fund (Capex) for the asset, etc. – to the business plan of the asset and/or asset portfolio, in a manner that allows maximum flexibility in implementing the business plan and maximization of the value of the acquired asset.

Generally, the Company prepares an annual business plan (hereinafter: "**the Business plan**") for the entire organization which is derived from its strategic objectives, and the Company's Board of Directors (hereinafter: "**the Board**") approves it at the start of each calendar year. As part of the business plan the Company lists its specific and quantifiable goals and objectives for the coming year with regards to each and every one of its assets/asset portfolios and regarding new ventures and acquisitions, for financing and refinancing, capital structure (raising debt and equity), managing the Company's cash flow and balance sheet (leverage, credit rating, etc.) as well as other matters related to the Company (such as – human resources, charitable contributions, etc.).

The Board reviews the business plan and discusses the Company's goals and objectives with the purpose of adapting the Company's business plan to the Company's long-term strategic plan as detailed above with the goal of increasing the value for shareholders while managing the exposure to risk (to markets, investment channels, interest rates, currencies, etc.).

The Board reviews the progress of the business plan on a quarterly and annual basis.

3. The Company's Business Environment and its Influence on the Remuneration of Officers

As a company investing, managing and developing real estate outside the Israeli market, one of the cornerstones of its strategy is building and maintenance of the ability to self-manage the assets in its portfolio over time. As a result, the group has 25 employees in Germany and must be extremely careful in recruiting a well-trained managerial staff, experienced and with expansive knowledge in its areas of activity.

In the Company's home market (i.e. Germany) the Company self-manages 100% of its operating income from its asset portfolio. The Company's managerial team performs, among other tasks, the operations detailed below:

1) Creates the Company's potential flow of acquisitions;

2) Performs extensive and complex financial, legal, taxation and engineering due diligence processes while managing foreign professional teams in the legal, accounting, taxation and engineering fields;

3) Negotiates to obtain financing and refinancing for the Company’s new acquisitions and for its existing portfolios with German banks and other international banks;

4) Self manages (by the Company's employees) the Company's real estate portfolio, including renovations and capital investments in the Company’s assets, planning and obtaining building permits, leasing vacant space, marketing, collection, payments to suppliers, bookkeeping and preparation of financial statements.

5) Manages the Company's office development project in Berlin.

6) Manages the Company as a public Dutch Company subject to the Securities Law, 1968, and regulations thereunder as well as certain provisions of the Companies Law as a result of the stock issuance to the Israeli public.

7) Capital market activity – capital raising, presentations and roadshows, etc.

In order to guarantee the Company's ability to perform the above, its remuneration policy must be directed to allow the Company, among other things, to continue to recruit and retain talented, skilled and experienced managerial personnel required for the Company to continue to successfully develop its business.

4. Corporate Governance; Roles and Areas of Responsibility with regard to the Remuneration of Officers

Pursuant to section 39A (a) of the Securities Law, -1968 (: "**the Securities Law**") and "section 39a", respectively), the provisions of the Companies Law,-1999 ("the Companies' Law") and regulations under the Securities Law, shall apply to a company incorporated outside Israel and offering its shares or liability certificates to the public in Israel, in accordance with Part A of the Fourth Addendum to the Securities Law, but the Securities Authority ("**the Authority**") may exempt a company from the provisions and regulations listed in said addendum, in whole or in part, if was convinced that the law outside Israel that applies to a company sufficiently ensures the interests of the investing public in Israel. Since the Company's shares are offered to the public in Israel for the first time according to a prospectus and will be listed for trading on the Tel Aviv Stock Exchange Ltd. ("**the TASE**") in accordance with Israeli law, the provisions of section 39a will apply to the Company and as a result the Company will be subject to various provisions of the Companies' Law as specified in Part A of the Fourth Addendum to the Securities Law ("**Part A of the Fourth Addendum**"), when these provisions apply in addition to the provisions of Dutch law[2].

4.1 Remuneration Committee

In accordance with the requirements of the Companies Law, on or about the completion of the IPO in Israel under the prospectus, the Board shall elect from among its members the following Board members to serve on the Company's Remuneration Committee (hereinafter: "**The Committee**"):

The Remuneration Committee is responsible for recommending to the Board a remuneration policy that applies to all Company officers. The Committee analyzes and monitors remuneration trends and market practices, components and salary levels in order to provide recommendations to the Board with regard to the Company's senior executives.

The Committee's primary tasks are:

- Recommend to the Board the adoption of a remuneration policy for the officers.
- Once every three years, recommend that the Board extends the current policy, revise the current policy or adopt a new policy[3].

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2 The Company's articles of association include full application of sections of the Companies' Law applicable to the Company under section 39a and Part A of the Fourth Addendum, except for those (which contradict Dutch law), which the Company will request the Authority to exempt it from applying such sections. The Company's articles do not contradict mandatory provisions of Dutch law.

3 Notwithstanding the foregoing, it should be emphasized that in accordance with Regulation 1 of the Companies Regulations (Relieves for the purpose of the obligation to determine a remuneration policy)- 2013 a remuneration policy according to the provisions of Chapter 4 A of Part Six of the Companies Law described in a prospectus of a company offering its securities to the public for the first time shall be considered as a policy determined under section 267a of the Companies Law and will be subject to approval only after 5 years from the date on which it became a public company.

- Recommend to the Board the need to update the remuneration policy from time to time and review the implementation of the policy.
- Discuss and decide on employment terms and agreements for officers and controlling shareholders (should the Company have such[4]) or relatives who require the Committee's approval.
- Discuss and decide whether to waive the employment conditions of a candidate for the position of Company CEO from the need for approval by the General Assembly.

4.2 The Board of Directors

The main role of the Board is to discuss and approve the remuneration policy.

The Board is responsible to review the remuneration policy from time to time (and at least once every three years[3]) and the need to revise and/or update it.

The Board is responsible for managing the remuneration policy and its implementation, and all operations required for this purpose, including the authority to interpret the remuneration policy provisions in any case of doubt regarding the manner of its implementation.

[4] It should be emphasized that as of the policy approval date, no shareholder in the Company holds half (50%) or more of the voting rights in the Company or the right to appoint directors to the Company's Board or the right to appoint the Company's general manager and therefore there is no controlling shareholder in the Company.

4.3 The General Assembly of the Company's Shareholders

The role of the General Assembly of the Company's shareholders (above and hereinafter: "**The General Assembly**") is to discuss and approve (or reject) the remuneration policy[5].

II. Remuneration Policy and Models

5. Applicability

This policy applies to the following positions in the Company who are defined[6] as officers:

- Members of the Board of Directors (including the Chairman of the Board)
- CEO/Co-CEOs
- Chief Financial Officer
- VP Business Development
- Chief Operating Officer
- VP Acquisitions & Financing

As of the policy approval date, the individuals listed below serve in the positions listed above:

Position	Name of Position Holder
Chairman of the Board (Non-executive director[7])	Mr. Ron Senatore
Executive Director	Mr. Robert Israel
Non – Executive Director[8]	Mr. Lambertus Van den Heuvel
Non - Executive Director[7]	Ms. Shirley van Der Veldt – financing
Non - Executive Director[7]	Mr. Rezso Ezer
Co-CEO	Mr. Ophir Rachamim

5 Notwithstanding the foregoing, it should be emphasized that in accordance with Regulation 1 of the Companies Regulations (Relieves for the purpose of the obligation to determine a remuneration policy)- 2013 a remuneration policy according to the provisions of Chapter 4 A of Part Six of the Companies Law described in a prospectus of a company offering its securities to the public for the first time shall be considered as a policy determined under section 267a of the Companies Law.

6 According to the Companies Law. It should be indicated that under the Dutch Corporate Law, Mr. Robert Israel is an "Executive Director" while the remaining four members of the Board are "Non-Executive Directors".

7 The director meets the independence terms (independence) prescribed in Dutch Corporate Governance Code but does not meet the independence terms (independence) prescribed in the Companies' Law.

8 Appointed by the annual general assembly of the shareholders on November 30, 2020 to serve as external director in the Company (which is about to offer shares to the public for the first time) from the time the Company become a public company (as defined in the Companies' Law).

Co-CEO	Mr. Gal Tannenbaum
VP Business Development	Mr. Amir Ghahremani
Chief Financial Officer	Mr. Guy Priel
Chief Operating Officer	Mr. Rene Deschner
VP Acquisitions & Financing	Mr. Fred Ganea

6. Goals and Objectives of the Remuneration Policy

The Company's remuneration policy is closely tied to the Company's business strategy and its long-term goals as well as its business plan. Remuneration of officers will be closely tied to business performance and the contribution of officers to the achievement of the business strategy and objectives set by the Company. The Company sees a need to compensate officers for their continued contribution to the Company's long-term business success with a focus on the scope and responsibilities entrusted to them.

The objectives of the remuneration policy are as follows:

- Aligning the interests of officers to the long-term interests of the Company's shareholders.
- Promoting the Company's ability to retain high quality officers who have the ability to lead the Company to business excellence and navigate the Company through its ongoing challenges.
- Motivating officers to promote business performance without taking on excess risk relative to the desired yield.
- Balancing the various remuneration components.

The policy of the Company is that the remuneration of officers will be closely tied to the business results and the individual contribution of each officer to these results, whether or not they are under his area of responsibility.

7. Remuneration Components and Their Objectives

Base Salary

The fixed component, the base salary, compensates the officer for the position and scope of responsibility associated with it, while reflecting the required experience and skills for each position as well as the proven experience and ability of the officer together with the overall contribution of the officer to the company's business results. The significance in the determination of the weight of the fixed remuneration within the total remuneration package stems from a desire to create a negative incentive for risky behavior and to prevent initiatives focused on short-term results (with the purpose of increasing the variable remuneration components in the short term (a grant, etc.)) which may risk the creation of value and financial stability in the medium and long term.

Related benefits

The Company offers its employees (including its officers) related benefits based on those customary in the local labor market. Some of the related benefits are required by law (pension provision, severance pay, vacation days, sick days, etc.), some constitute accepted practice such as advanced study funds for Israeli employees, relocation packages – which mostly covers housing costs, tuition fees at kindergartens and schools and flights for Israeli employees in their new location, and some to enable the officers to perform their jobs (company car, mobile phone, travel expenses etc.).

Variable Components

The purpose of the variable remuneration is to create a direct link between payment and performance results in the short and long-term. In order to strengthen the alignment of the shareholders' interests and those of the officers and employees, determining pay based on quantifiable performance reflects the relationship between the Company's actual business and general results and the individual contribution of each employee to those results. As such, variable remuneration constitutes a mechanism for distinction and selectivity. An appropriate range in performance-based payments are the structured characteristics of a responsible and sustainable variable remuneration which may be awarded to officers using mechanisms which differ from each other in terms of their time horizon and type of remuneration.

The characteristics of these components, including the mechanisms for their payment, should avoid focusing on the short term in order to guarantee sustainable performance in the medium and long-term and to prevent the taking of unnecessary risks in order to increase the short-term variable remuneration component.

In order to support the above principles, the Company tends to compensate officers using two types of variable remuneration:

- **Short Term – Non-Capital Variable Component (Annual Bonus):** The annual bonus is intended to provide incentives for officers and reward them for their contribution to the achievement of the Company's business targets during the period for which the bonus is being awarded.
- **Long Term – Capital Variable Component (Stock Option Plan):** This is intended to align the increased risk-adjusted value of the shareholders in the long-term and the remuneration awarded to officers. This component aligns the long-term interests of the officers and those of the shareholders, promotes the commitment of officers to the Company over time and assists in maintaining a skilled, talented and successful managerial team.

8. The Relationship between the Officers' Remuneration Components and the Relationship between the Remuneration of Officers and the Remaining Group Employees

In order to determine whether the remuneration awarded to officers is appropriate, the following is a description of the relevant relationship between the various remuneration components and between the remuneration of officers to that awarded to the remaining group employees. Generally, the more senior an officer's position in the Company, the larger the share of his variable remuneration components (bonus and stock option plan) in his overall remuneration plan.

8.1 The Relationship between the Officers' Total Remuneration Components

The following table describes the desired ratio range between the various components in an annual remuneration package for each of the Company officers:

Officer	Base Salary and related benefits (total cost of employment to the Company)	Non-Capital Variable Components (total cost to the Company)	Capital Variable Components – Share-Based Remuneration (cost to the Company)
Members of the Board[9]	100%	---	---
Co-CEO	60% - 40%	25% - 0%	40% - 25%
Chief Financial Officer	70% - 50%	25% - 0%	25% - 10%
VP Business Development	70% - 50%	25% - 0%	25% - 10%
Chief Operating Officer	75% - 55%	25% - 0%	15% - 0%
VP Acquisitions & Financing	70% - 55%	25% - 0%	25% - 10%

8.2 The Relationship between the Remuneration of Officers and the Remuneration of the Remaining Group Employees

The Company strives to maintain an appropriate ratio between the remuneration awarded to all employees and the remuneration to officers as a means of preventing a loss of motivation among its personnel by maintaining a level of fairness and reasonableness in the distribution of remuneration between employees and officers.

The following table describes the annual remuneration for the current year for officers[10] compared to the average annual salary of employees (not including officers) and to the median annual salary of the employees (not including officers) (all amounts in NIS thousands):

9 Including the Chairman of the Board and excluding Board members also serving in additional position in the Company (if any). It should be indicated that as of the policy approval date, no Board member serves in additional position in the Company.

10 The salary of officers is calculated according to the salary to which they will would be entitled as of June 1, 2021 - on a full year basis.

Officer	Base Salary, Bonus and related benefits (total cost of employment)	Share-Based Remuneration	Total Remuneration Package	Relationship to Base Salary (including bonuses and related benefits) of Employee Average	Relationship to Base Salary (including bonuses and related benefits) of Employee Median
Average Salary of Officers	1,340	279	1,619	5.9	6.3
Mr. Ophir Rachamim, Co-CEO	1,620	519	2,139	7.2	7.6
Mr. Gal Tannenbaum, Co-CEO	1,620	528	2,148	7.2	7.6
Mr. Guy Priel, CFO	1,200	126	1,326	5.3	5.6
Mr. Amir Ghahremani, VP Business Development	1,200	182	1,382	5.3	5.6
Mr. Rene Deschner, COO	1,200	115	1,315	5.3	5.6
Mr. Fred Ganea, VP Acquisitions & Financing	1,200	204	1,404	5.3	5.6
Average annual salary (employer cost including bonus) of the other employees of the group - NIS 226 thousand					
Median annual salary (employer cost including bonus) of the other employees of the group - NIS 213 thousand					

The Board has discussed and determined that since the capital remuneration component (options) compensates officers for the level and scope of the responsibility placed on them for the execution of the Company's business strategy and plan, which is higher relative to the other employees of the group, the appropriate relationship should be the relationship between the base salary, bonus and benefits of officers to the base salary, bonus and benefits of the remaining employees of the group. As a result, the Board considers the aforementioned relationships detailed in the table above as reasonable and appropriate considering the Company structure, the allocation of areas of responsibility therein and its size and that they maintain a fair relationship in the distribution of the Company’s total remuneration pool among the officers and other employees in a manner which establishes constructive working relationships within the Company.

8.3 Market Comparison – Benchmarks

When discussing and approving the remuneration policy, the Company will strive to ensure that the remuneration awarded to officers is appropriate in relation to the market in order to enable the Company to retain officers, on the one hand, and to maintain their commitment to the Company, on the other hand.

The Remuneration Committee will examine, at its discretion and at least annually, market benchmarks while analyzing general remuneration trends in the market in order to make informed decisions regarding the appropriate Remuneration Policy for the Company.

The Board has determined that the sample database, developed with the assistance of an external consultant hired by the Company for the purpose of this comparison, will include approx.10 public companies (hereinafter and respectively: "**the Sample**" and "**the Sample Companies**"). The database will be large enough to ensure that the average and median figures will not be distorted by extreme figures that could significantly affect a small sample of data.

As a result, in order to establish a large database the benchmark will include comparative information regarding public companies with the following characteristics:

1) Traded on the Tel Aviv Stock Exchange (hereinafter: "**the TASE**");

2) Operating in the Income-Generating Real Estate sector (where possible – at least 50% of the Sample Companies operate overseas);

3) Their accounting equity is within a range of +/- 50% in relation to the Company's equity;

4) Their market value is within a range of +/- 50% in relation to the Company's equity.

5) Their total balance sheet is within a range of +/- 50% in relation to the Company's balance sheet.

6) Total rental income from Income-Generating Real Estate is within a range of +/- 50% in relation to the Company's rental income.

The comparison will include the following details for each officer[11]:

1) A graph comparing his base salary to the base salary paid by the sample companies to officers in a similar position; the graph will also include indicators showing average and median salary.

2) A graph comparing his annual bonus to the annual bonus paid by the sample companies to officers in a similar position; the graph will also include indicators showing the average and median annual bonus.

3) A graph comparing the annual costs associated with his share-based remuneration to the share-based remuneration paid by the sample companies to officers in a similar position; the graph will also include indicators showing the average and median costs.

4) A graph comparing his total remuneration package to the total remuneration package paid by the sample companies to officers in a similar position; the graph will also include indicators showing the average and median total remuneration package.

Since as of this date the Company has two Co-CEOs, as long as this managerial structure is maintained by the Company the comparison in their regard will also include the following details:

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11 Except for Board members who do not serve as officers in additional capacity in the Company (if any). It should be indicated that as of the policy approval date, no Board member serves in additional position in the Company.

From the sample companies, a separate sample will be made of those companies whose managerial structure also includes two Co-CEOs (for example, an Israeli CEO and a CEO of overseas operations) or of companies with a managerial structure consisting of a CEO and an active chairman. The following comparisons will be made in relation to that sample:

1) The cumulative total remuneration package of the Co-CEOs (i.e., the cost to the Company for employing the Co-CEOs together) will be compared to the total remuneration package for other Co-CEOs or for a CEO and an active chairman in the same sample. The comparison will also be made regarding average and median figures.

2) Comparison of the total remuneration package of the five highest-paid officers in the Company (including the Co-CEOs) and the total remuneration package for each of the sample companies relative to the five highest-paid officers in the sample companies;

The Board is of the opinion that the extensive and detailed comparisons will enable the Remuneration Committee (when established) and the Board to assess the reasonableness and suitability of the remuneration package in general and of its separate components in particular, for each of the Company's officers[12].

9. Remuneration Structure

9.1 Base Salary

9.1.1 Board Members' Remuneration

The annual remuneration and participation remuneration of the Board members shall be determined according to the classification of the Director (expert external director, non-expert external director, executive director, non-executive director), to the level the Company classifies and the amount equal to the maximum amount as determined by the Companies' Regulations (Rules on Remuneration and Expenses of External Directors) - 2000 ("**the Remuneration Regulations**").

A director who is not an external director shall be entitled to the maximum amount specified in the Second and Third Addendums of the Remuneration Regulations for non-expert external director. The remuneration to which the executive director is entitled (classification in accordance with the Dutch Companies Law) will be identical to the remuneration paid to expert external director - the maximum amount set in the Fourth Addendum to the Remuneration Regulations.

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12 Except for Board members who do not serve as officers in another capacity in the Company (if any). It should be indicated that as of the policy approval date, no Board member serves in additional position in the Company.

<table>
<tr><th>Director classification</th><th>Annual remuneration</th><th>Participation remuneration</th></tr>
<tr><td>Executive director</td><td rowspan="2">The maximum amount according to the Fourth Addendum to the Remuneration Regulations [in accordance with the Company's equity level][13]</td><td rowspan="2">The maximum amount according to the Fourth Addendum to the Remuneration Regulations [in accordance with the Company's equity level]</td></tr>
<tr><td>Non-executive director who is an expert external director</td></tr>
<tr><td>Non-executive director who is not an external director</td><td rowspan="2">The maximum amount according to the Second Addendum to the Remuneration Regulations [in accordance with the Company's equity level]</td><td rowspan="2">The maximum amount according to the Third Addendum to the Remuneration Regulations [in accordance with the Company's equity level]</td></tr>
<tr><td>Non-executive director who is a non-expert external director</td></tr>
</table>

"Expert external director" – one of the following:

(1) Director with accounting and financial expertise;
(2) Director who due to his education, experience and skills, has a high level of skills and deep understanding of the Company's main area of activity[14];

The Company will also cover all direct expenses incurred by the directors' participation in meetings of the Board (or of its committees) held outside the directors' country of residence.

9.1.2 Base Salary for Officers[15]

Base salary of an officer will be determined during negotiations upon his hiring by the Company. Negotiations will be conducted by the direct supervisor of the officer (for the CEO – the Chairman of the Board or a Board member appointed by him; for any other officer – by the CEO). The officer's direct supervisor may determine the base salary within a predefined range as detailed in this remuneration policy. The base salary will also require approval by the Remuneration Committee.

All employment contracts for officers will be subject to the relevant approvals required by the law and the relevant regulations as well as according to this policy, in its current version, subject to approval by the Remuneration Committee.

13 As of the policy approval date – level ___

14 The assessment of the director's skills and understanding shall be made by the Board after the Board has added to his statement under section 241 of the Companies Law, a statement regarding his education, experience and skills, to the extent they are relevant to his assessment and attached documents supporting his statement;

15 Except for Board members who do not serve as officers in additional capacity in the Company (if any). It should be indicated that as of the policy approval date, no Board member serves in additional position in the Company.

The Company's position is that the base salary – the fixed component in the officers' remuneration – must be adapted to the officer considering his overall responsibilities, the scope of his responsibility and the significance and impact the successful execution of his duties have on the overall business of the Company.

When initially determining or changing/updating an officer's base salary, the following must be considered:

- The education, skills, expertise, professional experience and achievements of the officer;
- The position and areas of responsibility of the officer and previous salary agreements signed with him in the Company or with his previous employers;
- The significance and impact the successful fulfillment of his position, the areas of responsibility and associated tasks will have on the Company's business as a whole;
- Significant change in the complexity of the position and the required areas of responsibility as well as the number of tasks derived from expanding the Company's business as reflected in the increase in the value and quantity of managed assets, the size and managerial/operational complexity of new assets, geographical distribution, increase in personnel to be managed, number of business developments to be managed simultaneously, an increase in the scope of work as a result of regulations applying to the Company, etc.
- The remuneration to the officer in relation to the salary of the other Company employees, especially compared to the average and median salaries of the other employees, and the impact of these ratios on working relationships within the Company.

Ranges have been determined for the salary of each officer (monthly salary, in terms of cost to the employer in NIS), as follows:

Officer	Minimum Base Salary	Maximum Base Salary
Co-CEO	80,000	160,000
CFO	60,000	100,000
VP Business Development	60,000	100,000
COO	60,000	100,000
VP Acquisitions & Financing	60,000	100,000

To clarify, officers residing outside of Israel will be paid in EUR.

In addition, as part of the decision on adapting the base salary (within the range is detailed in the table above), the Remuneration Committee and the Board have the discretion to base their decision, when raising the base salary, on qualitative criteria such as the long-term commitment of the employee, cooperation with other officers and Company employees, the personal development of the officer as well as the need to retain quality personnel, as required from time to time.

In the annual review of the remuneration policy, the Remuneration Committee will examine the minimum and maximum base salary amounts as detailed in the table above compared to an analysis of comparative market data and will update these amounts (subject to all required approvals), should it be of the opinion that changes in the market should be reflected in order to ensure that the Company's remuneration policy is reasonable and appropriate enabling the Company to recruit the services of high quality managers and/or retain its managers.

9.2 Variable Components

When determining the variable components in the officers' remuneration, the Company associates part of the payment with the achievement of the Company's goals and objectives. In so doing, the Company strengthens the alignment of the interests of shareholders with those of management, since payment for quantifiable performance reflects the relationship between the Company's actual business results and the individual contribution of the officer to such results.

The aforementioned remuneration characteristics, including the measuring of the performance and payment mechanisms, will prevent an exaggerated focus on the short term in order to guarantee sustainable performance in the medium and long-term and prevent the taking of unnecessary risks with the purpose of increasing the short-term variable remuneration component.

In order to reinforce the aforementioned principles, the Company provides its officers with two types of variable remuneration:

- **Short Term – Non-Capital Remuneration (Annual Bonus):** The annual bonus is intended to provide incentives to officers for their contribution and reward them for the achievement of the Company's business targets during the period for which the bonus is being awarded.
- **Long Term – Capital Remuneration (Stock Option Plan):** This is intended to align the risk-adjusted value to shareholders in the long-term and the remuneration awarded to the Company's officers. This component aligns the long-term interests of the Company's officers and those of the shareholders, promotes the long-term commitment of officers to the Company and assists in retaining a skilled, talented and successful managerial team.

9.2.1 Non-Capital Remuneration – Annual Bonus

Annual bonuses will be distributed to officers (should they be distributed) in accordance with the achievement of the goals and objectives determined in the Company's business plan.[16] In order to avoid an excessively short schedule to which the bonus relates the timeframe will be defined as one fiscal year.

The goals defined in the business plan will be assigned to the managers responsible for their execution.

[16] Except for directors who do not serve in another capacity as officers of the Company, beyond the term (if any). It should be indicated that as of the policy approval date, no Board member serves in additional position in the Company.

Annual Bonus to CEOs –

Since CEOs are responsible for the execution of all objectives determined in the Company's business plan, their annual bonus will be based on the return on equity they have generated for the shareholders in the operating year beyond a minimum return on equity of 8%.

The Bonus Mechanism – One monthly salary (cost to employer) for every 1% return on equity above 8% per year and no more than 6 monthly salaries (cost to employer).

Bonus Calculation Mechanism - Return on equity will be calculated as follows: the net income to shareholders[17] at the end of the year divided by the equity (IFRS) of the shareholders at the beginning of that calendar year; if at a certain year the return on equity did not exceed 8% or was negative, excess return above 8% in the following year will be taken first against the short return (under 8%) in the preceding year for calculating the bonus (High Water Mark); to this end, at the end every 3 years, the following examination will be carried out: (1) the total return on equity in said 3 years (the return on equity in the first year and the return on equity in the second year and the return on equity in the third year); (2) the total excess return (total return on equity over three years less 24%); (3) the number of annual salaries paid as bonus in the course of those three years. In case the number of salaries paid as bonus over those three years is above the excess return, the difference will be deducted from payments of future bonuses (Claw Back) and in any case an amount in excess of the total bonuses paid by the Company in those years will not be reduced. At the end of every three years, the High Water Mark account is reset and new settlement of accounts is prepared for the next 3 years. In the event of termination of office return to equity pro rata calculation will be carried out according to the known quarterly financial statements from the beginning of the calendar year (YTD)[18] on annual basis for examining the excess return and the bonus is also pro rata to the period until departure date - if the calculation shows an excess return of 5% on annual basis and an annual bonus of 5 salaries is due and if left after six months he will be entitled to 2.5 salaries and so forth.

Annual Bonus to VPs -

At the beginning of each calendar year, when the Board approves the business plan for the coming year, the Co-CEOs will present the Remuneration Committee and Board with business objectives derived from the business plan that will serve as objectives for the receipt of the annual bonus by the VPs.

At the beginning of the following calendar year, the Board will review the Company's compliance with past year's business plan objectives and the CEOs will present the Remuneration Committee with their recommendations for the distribution of bonuses to officers for the past year.

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17 Net income to shareholders includes revaluation gains or losses on the Company's real estate assets.

18 For example, if from the beginning of the calendar year until the date of departure 2 quarterly financial statements were published then the semi-annual profit will be adjusted to annual profit by multiplying by 2; If 3 quarterly financial statements have been published then the profit for the nine months will be adjusted to annual profit by multiplying by 1.333.

The recommendation for each officer will specify the following:

1) The extent to which the objectives of the past year's business plan were met under the direct responsibility of the officer; and

2) The individual contribution of the officer to the organization's business objectives that were **not** under his direct responsibility.

For example, the Company's business plan objectives related to occupancy levels, collection losses and net operating income in the Company's residential real estate portfolio are under the direct responsibility of the Chief Operating Officer.

As a rule, up to 80% of the annual bonus awarded to a specific officer will be awarded to him based on the Company's achievement of the business plan objectives, which are under his direct responsibility; however, a bonus will not be awarded if less than 50% of the business plan objectives assigned to the officer have been achieved.

Up to 20% (of the total annual bonus in a given year) will be awarded to an officer based on his individual contribution to the business plan objectives that are not within his direct responsibility.

The Remuneration Committee will decide, based on specific special circumstances, whether to deviate from this rule should it conclude that it distorts the relationship between the overall individual contribution of the officer to the achievement of the Company's business plan objectives and his annual bonus.

The bonus will only be awarded if the following conditions are met:

- The officer has followed the business plan approved by the Board (and reviewed on a quarterly basis by the Board).
- The internal and external audit reports with regard to the officer's areas of responsibility do not include significant deficiencies related to the Company's work procedures.
- The officer has not violated the Company’s various procedures.
- The annual bonus amount does not exceed the ceiling determined for each officer as detailed in the table below:

Officer	Annual Bonus Ceiling*
Co-CEO	**Up to 6 Paychecks**
CFO	**Up to 4 Paychecks**
COO	**Up to 4 Paychecks**
VP Business Development	**Up to 4 Paychecks**
VP Acquisitions & Financing	**Up to 4 Paychecks**

*The wage ceiling for calculating the bonus is according to the cost to the employer.

Notwithstanding the provisions of this section– the Company will be able to approve, for officers of the Company reporting to the CEO annual bonuses according to non-quantifiable criteria based on the contribution of the officer to the Company according to the CEO's evaluation and subject to approval by the Remuneration Committee and the Company's Board of Directors at a rate of up to 100% of the ceiling determined for annual bonus.

Bonus Budget

The total annual budget for bonuses paid by the Company to officers will be determined by the maximum bonus amount for each officer as detailed in this plan below on an aggregate basis for each officer; however, the budget for the annual bonus may not exceed 3% of the Company’s annual net profit, as included in its annual financial statements for the year for which the bonuses are being awarded.

The Company's Board of Directors may, at its discretion, decide to reduce all or part of the annual bonus.

Annual bonuses awarded to officers, as approved by the Remuneration Committee and the Board will be paid to the officers along with the first salary paid to them following the approval of the annual bonuses.

9.2.1.1 Repayment as a Result of an Error

On the date of payment of the annual bonus, the officers will sign an undertaking to repay the amount of the bonus, or parts of it, should it become apparent at a future time that the calculation of the bonus was based on data that has been found to be incorrect and has been restated in the Company's financial statements over a period of 4 consecutive annual financial statements following the approval date of the annual bonus.

The Company will be obliged to pay the officer the difference between the actual amount paid and the amount he was originally entitled to, in accordance with the restatement as described above, as long as the actual amount paid was lower.

Notwithstanding the foregoing, a revision due to a change in the law, regulations or accounting principles, published after the date of publication of the Company's financial statements for that year, will not be considered a revision to which the aforementioned in this subsection will apply.

9.2.2 Capital Remuneration – Share Based Remuneration

From time to time, the Company offers officers the opportunity to participate in option plans which grant options that may be exercised into the Company’s stock, subject to the details of the option warrant granted to the employee.

The purpose of the Company's existing option plan[19] is to align the long-term interests of the Company's officers with the long-term interests of the company itself, in such a way that the officers can effectively participate in the Company's operating results. The goal is to align the long-term risk-adjusted value for shareholders with the remuneration awarded to the Company's managers, while aligning the interests of the officers and those of the shareholders, promoting the long-term commitment of the officers to the Company and assisting the Company in retaining a skilled, talented and successful managerial team.

The option plan has been implemented through two separate plans, one for officers who are not Israeli residents and the other according to Section 102 of the Income Tax Ordinance [New Version] for officers who are Israeli residents.

The option plan includes the following components:

1) The maximum number of shares that will result from the exercise of the options – 2,232,581 shares;

2) The maximum dilution rate for the Company's existing shareholders – 10%;

3) The ratio of the maximum value (as of the date of approval of the plan by the Board, i.e. January 6, 2020 – hereinafter: "**the Effective Date**") of the option warrant package allocated to each officer (in annual terms) and the total annual remuneration package for that officer may not deviate from the desired ratio range for that officer, as specified in the table in Section 8.1 above.

4) The exercise price of the options will be EUR 15 per share, translated into NIS at the known EUR/NIS exchange rate at the time the Company's shares are listed for trading on the TASE;

5) The vesting period and portions – All options in the option plan may be exercised 42 months after the effective date.

6) Expiration Date – September 30, 2023.

7) Payment of the exercise price – in cash or shares according to the net exercise mechanism[20] as defined in the option plan.

8) Eligibility conditions for exercising the options upon leaving the Company (due to retirement, dismissal, death, etc.).

9) Eligibility acceleration mechanism of all offerees regarding all warrants that were not yet vested upon purchase of controlling block[21] for the first time in the Company.

It should be noted that in other option plans of the Company – which may be approved in the future- the Company's competent organs may approve a mechanism for accelerating the eligibility of all or some of the offerees for all or some of the options that have not yet vested in other cases aside subsection 9 above such as in a case where the officer is dismissed (except in circumstances in which he is not entitled to severance pay, as detailed in the Severance Pay Law, 1963).

[19] Approved by the Company's Board of Directors on January 6, 2020.
[20] The net exercise mechanism will not apply to options with an exercise price of zero.
[21] As defined in the Companies' Law.

9.3 Related benefits

The following are details of the related benefits the Company may (but is not obligated to) grant to the officers[22], subject to the individual agreement reached with each of the officers.

9.3.1 Pension

An officer employed by the group is entitled to pension benefits as required by law or as is customary in his location.

9.3.2 Vehicle

An officer employed and/or providing services to the Company will receive a company vehicle for the purpose of performing his duties and responsibilities, as well as for his personal use.

9.3.3 Communication

Officers will receive telephones and laptop computers for communication purposes.

9.3.4 Annual Leave / Sick Leave

Vacation days and sick leave are in accordance with the relevant regulations in the officer's place of residence or as is customary there. As a rule, an officer is entitled to 25 days of annual leave and 18 days of annual sick leave and may be redeemed (unutilized accumulated balance) for cash upon termination of employer-employee relationship.

9.3.5 Relocation Benefits

Officers who are Israeli residents and relocate overseas in order to perform their duties and/or another/additional position will be granted additional benefits according to their specific needs and the market standard. Benefits in such cases usually include full coverage of housing costs up to a certain maximum amount (based on the country and city), a certain number of plane tickets for family visits paid for by the Company, full international health insurance for the employee and members of his family living with him, participation in the tuition for children of the employee in kindergarten and in school, coverage of the costs of obtaining work visas, etc.

9.3.6 Loss of Work Capacity Insurance

The officers will be covered by Loss of Work Capacity Insurance.

9.3.7 Review – Other Benefits for Officers

It should be emphasized that the table below does not include benefits granted in accordance with the law/regulations, including benefits detailed in subsections 9.3.1, 9.3.4 and 9.3.6, above.

[22] Except for Board members who do not serve as officers in another capacity in the Company (if any). It should be indicated that as of the policy approval date, no Board member serves in additional position in the Company.

Officer	Vehicle	Phone	Housing	Travel	Expenses
Members of the Board[23]	---	---	---	* (See below)	* (See below)
Co-CEO	Part of employment costs	✓	---	✓	✓
CFO	Part of employment costs	✓	---	✓	✓
COO	Part of employment costs	✓	EUR 750 per month, part of employment costs	✓	✓
VP Business Development	Part of employment costs	✓	---	✓	✓
VP Acquisitions & Financing	Part of employment costs	✓	---	---	✓

* The Company will reimburse directors for all direct costs (flights, hotels, travel etc.) for participating in Board meetings (or any of its committees) held outside the director's country of residence.

9.3.8 Loans to Officers

In order to finance the purchase of the Company's shares from the Company itself or from another corporation fully owned by the Company and/or to finance the payment of the exercise price for the options for Company shares, the officers (except for members of the Board who do not serve as officers in another position in the Company) will be eligible to receive non-recourse loans from the Company for a total amount (including existing loans; the balance of all existing loans combined with future loans will hereinafter be referred to as: "**the Loans**") of no more than 50% of the aggregate value of shares held by the Company officers and/or will result from the exercise of the options.

For the purposes of this section, the value of shares and stock options of an officer of the Company and its subsidiaries will be determined based on the Net Asset Value (NAV) per share of the Company and of its subsidiaries as detailed in the Company's most recent financial statements. The value of shares and the stock options will be calculated on a net basis, i.e., after deduction of the exercise price.

The loans will be non-recourse loans, accruing interest of 3 month EURIBOR +5% per year and will be repaid, principal and accrued interest, no later than 5 years from the date on which they were granted.

Shares owned by the officer (but not the options or the shares that will result from the exercise of the options) will serve as collateral for the Company against the loan along with all future payments the officers will receive from the Company (including salaries and bonuses); no other collateral will be provided; should the officer, at his own discretion, choose to sell the shares and/or the options for Company shares, the proceeds from the sale will be used to repay the loan amount; options for shares held by the officer and/or shares resulting from the exercise of the options are free and will remain free from any mortgage, claim or lien of the Company or on behalf of the Company.

[23] Including the Chairman of the Board and not including a board member serving in a different managerial capacity with the Company (if any). It should be indicated that as of the policy approval date, no Board member serves in additional position in the Company.

9.3.9 Insurance, Indemnification and Exemption

a. The Company may enter into officers' liability insurance where on the claim filing date, the liability limits will be $ 20 million per occurrence and in total for the insurance period plus reasonable legal defense expenses beyond the liability limit in accordance with the Insurance Contract Law -1981 covering all directors and officers (including controlling shareholders serving as directors and/or officers in which the controlling shareholders have a personal interest)[24] as serving from time to time in the Company and its subsidiaries, as shall be from time to time, in whole or in part, at the Company's discretion, and officers serving in related companies on behalf of the Company and/or the subsidiaries to extend or renew an existing insurance policy (if any) and/or enter into a new policy on the renewal date or during the insurance period with the same insurer or another insurer in Israel or abroad provided that such agreements shall be made in market conditions, may not materially affect the Company's profitability, property or obligations and shall be based on the principles listed above and the Remuneration Committee[25] has approved it:

1. The cost of annual premium and deductible for claim to be charged to the Company shall be in accordance with what is acceptable in the insurance market for policies of this type and scope on the policy preparation date provided that the premium cost is immaterial for the Company.

2. To the extent possible, the insurance policy will be extended to cover civil claims filed against the Company itself (as distinct from claims against its officers) concerning breaches of securities laws in connection with the Company's securities traded on the Tel Aviv Stock Exchange (Entity Coverage for Securities Claims). For this extension, arrangements for the payment of insurance benefits, if any, will be determined according to which the officers' right to receive indemnity from the insurers takes precedence over the Company's right.

b. In addition, the Company may cover the officers for past activities according to one of the following two options:

1. As part of the coverage mentioned in section A above.

2. Alternatively, purchasing coverage of discovery period type for the past period not included in the retroactive date specified in the policy prepared under section A above, for insurance period of up to 7 years ("RUN OFF") and with a liability limit of up to US $ 20 million per occurrence and in total for the insurance period, plus reasonable legal defense expenses beyond the liability limit in accordance with the Insurance Contract Law -1981.

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[24] As of the policy approval date, no shareholder in the Company holds half (50%) or more of the voting rights in the Company or the right to appoint directors to the Company's board or the right to appoint the general manager of the Company and therefore there is no controlling shareholder in the company.

[25] To be established after IPO completion under the prospectus.

The total premium cost for this coverage and the amount of the Company's deductible will be in accordance with what is acceptable in the insurance market conditions at the time of purchasing the insurance, provided that the premium cost is immaterial for the Company.

The Company may extend the insurance policy referred to in section A above, or purchase a dedicated policy ("POSI Policy"), for liability insurance arising from public offerings by the Company and/or a subsidiary of securities under prospectuses, where each POSI policy in connection with each offering will include the following conditions: A liability limit of up to US $ 20 million per occurrence and in total for insurance period of up to 7 years from the issuance date plus reasonable legal expenses beyond the liability limit in accordance with the Insurance Contract Law, 1981. The Company's premium and deductible for extending such policy or for the POSI policy will be in accordance with market conditions at the time of purchasing the POSI policy or upon extending the Company's officers' policy.

Exemption and indemnity

(a) Officers and members of the Board are entitled to receive a letter of indemnity according to the version approved by the General Assembly on [X], 2021. Should the Company decide to amend these letters of indemnity in the future, the amendment will be approved in accordance with the law.

(b) According to the Dutch corporate law and the Company's Articles of Association, the General Assembly may exempt the members of the Board from their responsibility for their actions, in the fiscal year, as long as these actions are reflected in the Company's annual financial statements for that year (prepared in accordance with Dutch law), or so long as they have been brought to the attention of the General Assembly prior to adoption of the Company's annual financial statements for that year.

It is hereby clarified that such a decision is a standard decision at annual general assemblies of shareholders in Holland. As part of the process of adopting the financial report, members of the boards of directors in Holland are usually absolved of any existing or potential liability, towards the Company, among others, for fulfilling their duties and this only in cases where fulfillment of such duties is reflected, in the Company's annual reports or as long as it has been brought to the attention of the General Assembly, prior to approving the Company's financial statements for that fiscal year. The scope of the exemption is subject to the restrictions of Dutch general law, such as the duty of care and principles of reasonableness and fairness, although there is no specific provision in the law in this regard. In addition, such principles of reasonableness and fairness may, under certain circumstances, prevent such a liability exemption from being given to members of the Board. Such an exemption does not oblige regarding a third-party nor is it conditional on the provisions of Israeli securities laws, which apply to the Company, including the rights by virtue of conferred upon its shareholders.

9.4 Termination of Service

9.4.1 Prior Notice

The prior notice period for each officer will be determined by the Remuneration Committee prior to signing the employment/service provision agreement with the officer.

The CEO may terminate the engagement by providing prior notice of not less than 6 months and an officer may terminate the engagement by providing prior notice of not less than 3 months

During the prior notice period, the officer will continue to perform his duties and obligations unless the Board has decided to release the officer from his duties prior to the end of the prior notice period, and he will be entitled to continued terms of office and employment until the end of the prior notice period.

9.4.2 Retirement Grants

The Company believes that providing retirement grants related to the length of time the officer served in the Company reinforces the long-term commitment of the officer to his work at the Company.

At the present time, the current officers of the Company are entitled to retirement grants according to existing employment agreements, according to the following parameters.

Officer	**Worked at the Company for over 5 years**	**Worked at the Company for over 10 years**
Co-CEO	6 monthly salaries	12 monthly salaries
CFO	6 monthly salaries	12 monthly salaries
VP Business Development	6 monthly salaries	12 monthly salaries
COO	6 monthly salaries	12 monthly salaries
VP Acquisitions & Financing	6 monthly salaries	12 monthly salaries

The inclusion of a provision regarding the granting of a retirement grant to an officer in the engagement contract with him will be brought for approval by the Remuneration Committee prior to signing the agreement. For the avoidance of doubt, such a provision will not include the granting of a retirement grant inconsistent with the terms detailed above.

The retirement grant will be paid at the end of the employment or provision of services by the officer and will equal (at the most) the multiple of the number of months detailed in the above table and the base salary (the cost to the employer) of the officer, **with no additional component**.

The amount of the grant detailed in the table above is the maximum amount that can be approved by the Remuneration Committee.

9.4.3 Non-competition with the Company's business and Commitment to Refrain from Motivating Employees to End their Employment in the Company

Officers will declare in writing (in their employment agreement) that during the period of their employment and for twelve (12) months (for CEO) and nine (9) months (for other officer) after it has ended, (i) they will not take any action to motivate Company employees or employees of any of its subsidiaries or associated companies to end their employment with the Company, and- (ii) they will not employ and/or hire the services of any such employee.

In addition, the Company's employment agreements with the officers will include a non-compete clause according to which during the entire period of their employment with the Company the officers will be barred from engaging in any other activity that competes or may compete with the Company's (directly or indirectly) business or activities that may create a conflict of interests with the Company's business affairs.

III. Other Matters

10. Update

This policy update is the responsibility of the Remuneration Committee, which will review it on an annual basis and make recommendations to the Company's Board of Directors with regards to required updates, subject to the relevant approvals, which will be required according to the law and regulations. Effective from the date the Company became a public company, such changes to the policy are subject to the approval of the Remuneration Committee, the Board of Directors and the General Assembly, as required by law.

11. Periodic Review of the Remuneration of Officers

The Remuneration Committee and the Board will analyze the officers' remuneration at least annually and examine the relationship between the remuneration of each officer and his contribution to the Company in the past year. Additionally, the Remuneration Committee and the Board will analyze the officers' remuneration to determine whether it is appropriate and reasonable. Should it be determined that the remuneration is not appropriate and reasonable in relation to the officer's contributions or in relation to the relevant market trends, new discussions will be held regarding the total remuneration package and the required revisions and updates to the policy in general and/or in remuneration specifically, as required, and will be studied by the Company's authorized organs.

12. Approval and Application of Remuneration Policy

The policy was discussed and approved by the Board on ______2021. This policy will be the Company's official remuneration policy for a period of five years, starting from the date the Company became a public company.

Any change to the policy requires a re-approval procedure, i.e. discussions in the Remuneration Committee and recommendations to the Board, discussion and approval by the Board, approval by the General Assembly (or an additional approval by the Remuneration Committee and the Board after another discussion, despite the objection of the General assembly to approve the policy)[26].

It should be emphasized that once every three years, the policy must be reapproved even if no changes are required, according to the stages of the initial approval process[27].

The Company's internal auditor will examine, as part of a dedicated report submitted at least once every three years, the Company's compliance with the Remuneration Policy as determined by the Company's Board of Directors.

26 According to Dutch law applicable to directors' remuneration, the procedure described in parentheses is not acceptable since directors' wages is subject to the approval of the general assembly.

27 Notwithstanding the foregoing, it should be emphasized that in accordance with Regulation 1 of the Companies Regulations (Relieves for the Purpose of the Obligation to Determine a Remuneration Policy), 2013 a remuneration policy according to the provisions of Chapter 4 A of Part Six of the Companies Law described in a prospectus of a company offering its securities to the public for the first time will be considered as a policy determined under section 267A of the Companies Law and will require an approval only after 5 years from the date on which it became a public company.

IV. Appendix

Roles and Responsibilities

CEO/Co-CEO
Responsible for the general management of the business and operations of the Company together with the Company's managers who report to him with the goal of successfully executing the Company's long-term strategy and business plan.
Position Requirements: Relevant academic background (degree in Economics, Finance, Business Administration, Law, etc.) and at least 7 years of experience in business management (as a CEO or VP) in the real estate market, preferably in foreign markets and for a public company.

Chief Financial Officer
Responsible for all aspects of the Company's financial management and management of the Company's financial staff.
Position Requirements: Relevant academic background (Economics, Finance, Accounting, Business Administration), preferably a certified Accountant, five years' experience in financial management (as a CFO or controller), preferably for a public company.

VP Business Development
Responsible for creating the deal flow for transactions for the purchase and sale of assets, management of negotiations with asset sellers, etc.
Position Requirements: Relevant academic background (Economics, Finance, Accounting, Business Administration), at least five years' experience in locating and acquiring real estate assets, native German speaker or fluent in German.

Chief Operating Officer
Responsible for the operational management (management of facilities, assets and properties) of the Company's income generating portfolio (commercial and residential) and management of the Company's operational team.
Position Requirements: Relevant academic background (preferably in Project Management and/or Civil Engineering), at least seven years of extensive experience in the management of income generating properties (both commercial and residential), native German speaker or fluent in German. If the relevant academic background is lacking, at least 10 years of experience as described above.

VP Acquisitions & Financing
Responsible for analyzing potential acquisitions and underwriting, financing new acquisitions and refinancing of existing portfolios, capital market activities (presentations to investors, roadshows, raising capital and debt), and credit rating, reports to management, etc.
Position Requirements: Relevant academic background (Economics, Finance, Accounting, preference for Business Administration), at least 5 years of extensive experience in underwriting transactions and financing.

The Board may waive all or part of the above academic capabilities and experience if most of its members decide that the manager has other advantages which compensate for the lack in those capabilities/required experience.