

ASSIGNMENT AGREEMENT

This Assignment Agreement (the: "**Assignment Agreement**") is entered into and made as of ___ day of ___ 2018, by and between:

Main Hotelier School Ltd. [in liquidation] ("Tadmor")

Israel company No. 510328636

represented by the _____

First Party

AND:

_____ (the "Entrepreneur")

Second Party

(Together: "the Parties")

Whereas on 31st March, 2015 the Israeli Government, by its Ministerial Privatization Committee, in accordance with its authority under section 59b of the Government Companies Law 5735 – 1975 (hereafter: the "**Government Companies Law**", "**Ministerial Committee**" and "**Privatization Decision**" accordingly), in decision number "7/ממ", (which canceled decision number "9/ממ" of the Ministerial Committee of February 8th, 2013) decided to privatize Tadmor tourism, hotelier and culinary school (Main Hotelier School Ltd. [in liquidation]), via voluntary liquidation. In addition, the Privatization Decision instructs the liquidator of Tadmor School, High school and Hotel, to work with an oversight committee, that was established according to the Privatization Decision, in order to assign Tadmor School, High school and Hotel's rights and obligations to a third party who will be announced as the Successful Bidder in the Procurement Process (as defined below).

Whereas the Tadmor and the State has signed the Government Agreements (the concession) for the the lease of the Facility and the operation of Tadmor School, High School and Hotel;

Whereas on July 8th, 2018 Tadmor published a procurement process No. 01/2018 regarding the assignment of its activity and all of its rights, _privileges and benefits, and commitments and obligations for the operation of Tadmor School, High School and Hotel (the "**Procurement Process**"), all as detailed in this Assignment Agreement;

Whereas the Entrepreneur was announced as the Successful Bidder;

Whereas the Parties wish to finalize an agreement in order to set the assignment from Tadmor to the Entrepreneur, all as detailed below;

NOW THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION

- 1.1. The preamble to this Assignment Agreement and the Appendixes hereof constitute an integral part of this Assignment Agreement.
- 1.2. Headings in the Assignment Agreement have been inserted for convenience of place finding only, and shall not be used for purposes of interpretation hereof.
- 1.3. Except as specified in Clause 1.4 below in this Assignment Agreement, capitalized terms shall have the meaning ascribed to them where they first appear or in accordance with the meaning ascribed thereto in the Procurement Documents. In any case of doubt as to the correct interpretation, the most advantageous meaning for Tadmor School, High School and Hotel (and after its liquidation, the State) will prevail.
- 1.4. The following terms will have the meaning ascribed to them in this section:
 - 1.4.1. “**Authorization**” shall mean any license, permit, approval, filing, waiver, exemption, variance, clearance, entitlement, allowance, franchise, or other authorization, whether from any Municipal and/or Governmental Authority, corporate or otherwise.
 - 1.4.2. “**Business Day**” shall mean any day other than Friday, Saturday, or a day on which the Government offices in the State are open for the conduct of normal business. For convenient purposes only, please note Section 18a of the *Law and Administration Ordinance 5708-1948*.
 - 1.4.3. “**Dispute**” any dispute or difference of any kind whatsoever arising out of or in connection with this Assignment Agreement and/or its validity.
 - 1.4.4. “**Facility**” or “**Site**” – the land known as parcels 336, 352, 353 and 1008 in block 6668, located in 38 Bazel street Herzliya, including buildings (school, high school and hotel) and parking lot, and any other fixtures attached thereto, and every improvement of any kind to be made by the Entrepreneur to them during the term of this Assignment Agreement.
 - 1.4.5. “**Municipal and/or Governmental Authority**” shall mean Herzliya Municipality and/or the Israeli national government, and any regulatory department, body, political subdivision, commission, agency, instrumentality, ministry, court, judicial or administrative body, taxing authority, or other authority thereof (including any corporation or other entity owned or controlled by any of the foregoing) having jurisdiction over either Party or the Facility, whether acting under actual or assumed authority. Permits, orders or other approvals given by such bodies are “**Municipal and/or Governmental Authorizations**”.
 - 1.4.6. “**Law**” shall mean (i) Israeli law, legislation, statute, act, rule, ordinance, decree, treaty, regulation, order, judgment, or other similar legal requirement, or (ii) any legally binding announcement, directive or published practice or interpretation thereof, enacted, issued or promulgated by any Municipal and/or Governmental Authority.
“**Government Agreements**” – All of the following agreements and their appendixes, annexes and documents: (a) Services Agreement dated August 14th,

2016 by and between the Israeli Ministry of Tourism and Tadmor, (b) Services Agreement dated December 27th, 2015 by and between the Israeli Ministry of Economy and Industry and Tadmor, (c) Lease agreement dated _____ by and between the State, Accountant General (in Israeli Ministry of Finance) and Tadmor ("**Lease Agreement**"), and (d) Services Agreement dated August 6th 2014 by and between the State represented by the Accountant General (in Israeli Ministry of Finance), the head of the vocational and development training department and the accountant in the Israeli Ministry of Economy. The Government Agreements attached as **Appendixes A2-A5**.

In case of conflict between the Hebrew version of any of the Government Agreements and their English translated version, the Hebrew version shall prevail.

- 1.4.7. "**State Agreement**" dated _____ by and between the State, _____ and the Entrepreneur ("**State Agreement**"). The State Agreement attached as **Appendix A1**.

In case of conflict between the Hebrew version of the State Agreement and its English translated version, the Hebrew version shall prevail.

- 1.4.8. "**Parties**" shall mean Entrepreneur and Tadmor when referred to collectively, and "**Party**" shall mean any one of the Parties referred to singly.
- 1.4.9. "**Person**" shall mean any individual, firm, company, association, general partnership, limited partnership, Limited Liability Company, trust, business trust, corporation, public body, or other legal entity.
- 1.4.10. "**Renovation Works**" all works required for the renovation of the site as specified by the Entrepreneur within the bid submitted by him, and in accordance with the provisions set forth in the State Agreement.
- 1.4.11. "**State**" shall mean the State of Israel.
- 1.4.12. "**Tadmor**" / "**Tadmor School, High School and Hotel**" shall mean an academic institution and hotel, which also manages and teaches a high school class in those fields and operates an active hotel, all of which are located in 38 Bazel street Herzliya, Israel.

- 1.5. The following appendixes are attached to this Assignment Agreement and constitute an integral part hereof:

- 1.5.1. **Appendixes A1-A5** – the State Agreement and Government Agreements;
- 1.5.2. **Appendixes B1-B9** – Criteria of Tadmor School, High School and Hotel operation– attached in Volume 4 of the Procurement Process Documents.
- 1.5.3. **Appendix C** – Details and terms of the transference of Tadmor's operation.

2. **BACKGROUND**

- 2.1. The validity of this Assignment Agreement is conditioned by the signing and the full and complete fulfillment of the State Agreement. In any event of termination of the State Agreement, this Assignment Agreement will be terminated.

2.2. The validity of this Assignment Agreement is conditioned by the full and complete fulfillment of the Government Agreements. In any event of early termination of the Government Agreements, this Assignment Agreement will be terminated. In addition, in any event of termination of the Lease Agreement, this Assignment Agreement will be terminated.

3. OPERATING OF TADMOR SCHOOL, HIGH SCHOOL AND HOTEL

3.1. The Entrepreneur undertakes to operate Tadmor School, High School and Hotel as: (a) an active hotelier and culinary school and high school for students aspiring to work in the hotelier and culinary industries and (b) hotel.

3.2. The Entrepreneur shall operate Tadmor School, High School and Hotel according to the criteria set forth in **Appendixes B1-B9** and the State Agreement and the Government Agreements.

3.3. The Entrepreneur undertakes to meet all the provisions of the State Agreement and the Government Agreements, and the additional obligations and provisions specified in this Assignment Agreement.

4. REPRESENTATIONS AND WARRANTIES

4.1. Representations and Warranties of the Parties.

Each Party warrants to the other parties as follows:

4.1.1. It has the full corporate right, power and/or authority to enter into this Assignment Agreement and/or to carry out its obligations herein.

4.2. Representations and Warranties of the Entrepreneur

The Entrepreneur hereby declares, represents, warrants and undertakes as follows:

4.2.1. There is no action or proceeding pending or threatened against before any court, administrative agency or other tribunal which could impact upon the Entrepreneur's right, power and authority to enter into this Assignment Agreement or to carry out its obligations hereunder.

4.2.2. That it is well familiar with all applicable laws and requirements to meet with in order to carry out his obligations hereunder.

4.2.3. That it shall obtain all Municipal and/or Governmental Authorizations that are required for the valid execution, delivery and performance of this Assignment Agreement, and all of which shall be in full force and effect during the complete term of the State Agreement.

4.2.4. That it shall comply with all of the obligations and/or requirements set forth in this Assignment Agreement and/or in the State Agreement and/or in the Government Agreements and/or set by Tadmor, during the performance of this agreement.

4.2.5. That each of its obligations under this Assignment Agreement constitutes a valid and binding obligation.

- 4.2.6. That it has the necessary and adequate skills, competence, commitment, expertise, experience and professional ability required for the performance of the Services required in the State Agreement and the Government Agreements.
- 4.2.7. That it is well experienced in the fields of hotelier, tourism, culinary and education.
- 4.2.8. That the execution, delivery and performance of this Assignment Agreement by it and each transaction contemplated hereunder, does not and will not violate in any respect a provision of:
 - 4.2.8.1. Any Law or treaty or a judgment, ruling, order or decree of a Governmental Agency which is binding on or applicable to it;
 - 4.2.8.2. The Entrepreneur's incorporation documents and by-laws (including the shareholders agreement); or
 - 4.2.8.3. Any other document, agreement or security interest that is binding on the Entrepreneur or its assets.
- 4.2.9. That it is not under any voluntary or involuntary bankruptcy (liquidation or reorganization), or receivership or commencement of a similar insolvency proceeding, and the Entrepreneur's latest audited financial statements do not include a 'going concern' notice.
- 4.2.10. That it has examined and mitigated to its satisfaction all risks associated with its obligations under this Assignment Agreement and/or the State Agreement and/or the Government Agreements.
- 4.2.11. The Entrepreneur from its own knowledge and investigations is aware of the nature and extent of all of the various uncertainties associated with the State Agreement and/or the Government Agreements and/or this Assignment Agreement.
- 4.2.12. The Entrepreneur has inspected, as an expert, all factors and data that may be deemed to affect the execution of this Assignment Agreement including but not limited to: (i) the physical conditions of the Site, Facility and its surroundings; (ii) technical aspects and risks; (iii) environmental aspects and risks; and pursuant to its evaluation, the Entrepreneur believes that the performance of its obligations in accordance with the provisions of this Assignment Agreement and/or the State Agreement and/or the Government Agreements, is feasible and practical. Furthermore, pursuant to its independent evaluation, the Entrepreneur has satisfied itself that all of the above are fit and suitable for the fulfillment of its obligations in accordance with the provisions of this Assignment Agreement and/or the State Agreement and/or the Government Agreements and that the various mechanisms detailed in this Assignment Agreement are adequate and sufficient in order to compensate the Entrepreneur regarding any of the abovementioned inspected factors and data.
- 4.2.13. The Entrepreneur acknowledges that its bid was selected as the Successful Bid and that Tadmor has decided to engage with him based on the obligations, representations and information presented under its Bid in the Procurement Process, including compliance with the Threshold Criteria. Therefore, the Entrepreneur and its shareholders and/or Members undertake not to change the holdings and/or

control, in a direct or indirect manner, or in a way that changes the structure of holdings in the Entrepreneur as presented in the Bid, unless if a notice is given in advance and in writing, to Tadmor and its written consent was obtained for the change the Entrepreneur or its owners wish to carry out.

- 4.2.14. That it will fulfill all of its undertakings under this Assignment Agreement at the best quality, in strict, professional, adequate, loyal manner and with the necessary expertise level, while investing the best of his efforts, measures and competencies, and using all relevant knowhow for the fulfillment of his obligations.
- 4.2.15. That it will act in good faith, decency and loyalty towards Tadmor and its associates and will refrain from doing any deed or taking any action, which may harm Tadmor, its reputation and its business.
- 4.2.16. In the event that the Entrepreneur is not an Israeli registered corporation (company or partnership), then it will form a corporation and will register such corporation in the State of Israel with the relevant Israeli registrar, within 30 days of being awarded as the Successful Bidder. Such corporation will become the Entrepreneur and the owners of such corporation will be liable jointly and severally to any and/or all of the Entrepreneurs liabilities.

4.3. **Representations and Warranties of Tadmor**

Tadmor warrants to the Entrepreneur as follows:

- 4.3.1. The Government Agreements have been legally executed, and the contracting parties have met all corporate and administrative requirements set forth by the applicable legislation then in force.
- 4.3.2. The Government Agreements are valid and binding.
- 4.3.3. In accordance with the governmental resolutions on this matter and the contents of the Government Agreements, as set forth in the preamble to this Assignment Agreement, Tadmor is entitled to execute this Assignment Agreement.

5. **ASSIGNMENT OF RIGHTS**

- 5.1. The Entrepreneur hereby acknowledges and accepts the Government Agreements terms and conditions, including its obligations under the State Agreement, in general and the Renovation Works specifically, and therefore agrees to comply with them as of the signing of this Assignment Agreement by Tadmor and to ensure the proper management and operation of Tadmor School, High School and Hotel, including all works, tasks, checks, reviews, integration, coordination, obligations, security obligations, repairs, education, operation, maintenance, personnel, required and all other obligations to be performed with respect therewith. Furthermore, The Entrepreneur shall comply with all the specific terms set in this Assignment Agreement.
- 5.2. The Entrepreneur hereby acknowledges and accepts that Tadmor School, High School and Hotel is an active company. Therefore, Tadmor as of the signing of this Assignment Agreement by Tadmor will assign 'as is' to the Entrepreneur all of its activities, obligations, commitments, agreements, rights, benefits, moneys etc. and the Entrepreneur will be

responsible for any such activity, obligation, commitment, agreement etc., including, but not limited to the following:

- 5.2.1. The Entrepreneur will be responsible for, and will honor and complete all previous obligations and/or commitments, including but not limited to, any paid for and ongoing courses, booked hotel rooms, scheduled events etc., as of the signing of this Assignment Agreement by Tadmor;
- 5.2.2. The Entrepreneur will be responsible for all governmental and/or municipal taxes, surcharge, scot and/or other fees as of the signing of this Assignment Agreement by Tadmor;
- 5.2.3. The Entrepreneur will be responsible for all legal claims, known and unknown, regarding the period starting as of the date of signing the Assignment Agreement by Tadmor.
- 5.2.4. The Entrepreneur will be assigned to and responsible for all Government Agreements as of the signing of this Assignment Agreement by Tadmor.
- 5.2.5. The Entrepreneur will be entitled to all of the inventory, including but not limited to equipment, groceries, perishables, furnisher, computers, office supplies, books etc.;
- 5.2.6. The Entrepreneur will be entitled to use the 'Tadmor' brand name with no additional cost, throughout the entire performance of its obligations under the State Agreement only;

It is clarified that Tadmor will bear all the costs arising out of any service, product and/or equipment made and/or acquired and/or supplied before the signing of this Assignment Agreement by Tadmor, and will be entitled to all cash and cash equivalent assets, due to services and/or obligations fulfilled by Tadmor prior to the signing of this Assignment Agreement By Tadmor. Therefore, the Entrepreneur will return to Tadmor the pro rata portion of all rights, benefits, monies and/or any other compensation for the period prior to the date of signing the Assignment Agreement by Tadmor.

- 5.3. Notwithstanding the above, the Entrepreneur will be obligated to uphold the principals set forth in the attached document titled "Proposal for the Company's Employees" (Appendix B8) as adopted by Tadmor, under which the rights of Tadmor's employees have been determined in case of resignation, dismissal or early retirement. All additional obligations and/or rights concerning the assignment and cost of Tadmor's employees as well as further instructions and conditions are detailed in appendix C.
- 5.4. The Entrepreneur will have no claims of any kind against Tadmor and/or the State and/or anyone on their behalf regarding the assignment, as detailed above, and the Entrepreneur waiver any such claim including but not limited to with respect to value, worth, discrepancy (known or unknown), misinformation, mistake or deception.
- 5.5. The Entrepreneur expressly acknowledges that no contract term of this Assignment Agreement or its annexes may be interpreted as a restriction on Tadmor's right to execute other assignments and/or additional concession contracts with third parties, for similar purposes, as no exclusive right has been granted upon the Entrepreneur, except for the concession of the Tadmor School, High School and Hotel according to this Assignment Agreement.

5.6. The Entrepreneur hereby acknowledges to be aware of all the legal requirements and standards to be met with in order to operate Tadmor School, High School and Hotel and the performance of the Services.

5.7. Entrepreneur shall be held liable for its own conduct and the actions of its employees, staff and suppliers.

5.8. **Compliance with Laws**

In carrying out its duties under this Assignment Agreement, the Entrepreneur shall comply with all applicable Laws, including and without limitation, all Laws relating to health, safety or the protection of the environment. Tadmor shall have no responsibility for any costs of damages caused by mistake or the negligent acts and omissions or intentional or willful misconduct of the Entrepreneur or any of the Entrepreneur's employees or agents, including, without limitation, all subcontractors and suppliers.

5.9. **Access**

the Entrepreneur shall provide Tadmor (via its agents, employees and/or representatives) full access to records, information, documents, data, contracts the Entrepreneur is a party thereto, the Facility and/or any other material and/or place in connection with the performance of this Assignment Agreement.

5.10. **Indemnification**

The Entrepreneur shall assume and retain all liability, including claims, demands, losses, costs, damages and expenses of every kind, arising out of or in connection with the execution of this Assignment Agreement and/or occurring during the course of this Assignment Agreement. The Entrepreneur shall indemnify Tadmor against any and all loss or damages that Tadmor may incur as a result of any claim against it arising out of or in connection with the execution of this Assignment Agreement. The Entrepreneur shall indemnify and hold Tadmor harmless from all liabilities, damages, costs or expenses incurred by Tadmor by reason of any lien filed against the Facility by any subcontractor of the Entrepreneur in connection with the execution of this Assignment Agreement. The Entrepreneur shall keep Tadmor updated of the status of all claims with respect to which it is entitled to such indemnification or protection and shall not settle any such claim without the consent of Tadmor, such consent not to be unreasonably withheld or unduly delayed.

6. NO PARTNERSHIP OR EMPLOYMENT

6.1. This Assignment Agreement and the relationship between the Parties shall not be construed as a partnership, joint venture, or agreement of employment.

6.2. Neither party is, nor will be deemed to be, an agent, legal representative, a party to a joint venture or partner of the other party for any purpose, and neither party shall have the right to assume or create any obligation or responsibility on behalf of the other party. Neither party's personnel are, nor shall they be deemed to be at any time during the Term of this Assignment Agreement, employees of the other party hereto. Each party shall be solely responsible for

payment of all compensation owed to its personnel (and all tax withholding with respect thereto), including payment, if any, of employment-related taxes and worker's compensation insurance premiums.

7. TERM; DEFAULTS; REMEDIES; TERMINATION

- 7.1. This Assignment Agreement shall be in full force until termination in accordance with its provisions and/or the State Agreement and/or the Government Agreements or any contract to it.
- 7.2. Upon termination of the State Agreement and/or any of the Government Agreements, as a result of early termination, or any termination of the State Agreement and/or the Lease Agreement, the Entrepreneur agrees to cease its activities and return the Facility to the State as detailed in the State Agreement.
Should the Entrepreneur continue exploiting the concession after its expiration or rescission, this shall not be construed as an implicit extension or automatic renewal.
- 7.3. Immediately after the date of Tadmor's final liquidation this Assignment Agreement will be Terminated.
- 7.4. Notwithstanding the availability and/or exercise of the foregoing remedies, Tadmor shall have all such other remedies available under applicable Law.
- 7.5. In exercising any of the foregoing remedies, Tadmor shall use reasonable efforts to mitigate its damages.

8. CONFIDENTIAL INFORMATION AND INTELLECTUAL PROPERTY RIGHTS

- 8.1. The Entrepreneur shall make available to Tadmor any record produced or collected under this Assignment Agreement.
- 8.2. The Entrepreneur agrees to treat as confidential materials that Tadmor reasonably identified, and clearly designated, as confidential (hereinafter "**Confidential Information**").
- 8.3. The Entrepreneur shall hold in strict confidence any such Confidential Information received from the Tadmor and shall protect the confidentiality of such with the same degree of care as for its own information of like importance, but not less than reasonable degree of care. The Entrepreneur undertakes to disclose the Confidential Information only to its employees who have to be so informed on a "need-to-know" basis and, which are bound by a written agreement to maintain the Confidential Information in strict confidence (the "**Authorized Personnel**"). The Entrepreneur shall be responsible that the obligations contained herein are strictly observed by Authorized Personnel.
- 8.4. Release of such Confidential Information by the Entrepreneur will be subject to prior written approval by the State. However, the Entrepreneur may disclose Confidential Information of Tadmor pursuant to the order or requirement of a court, administrative agency, or other governmental body. In any such event the Entrepreneur is obligated to give reasonable notice to the State to contest such order or requirement.

- 8.5. All such data and information will remain the property of the State and upon the expiration or termination of the State Agreement will be promptly returned to the State, or at the State's election, destroyed.
- 8.6. The provisions of this paragraph will survive termination or expiration of this Assignment Agreement and will remain in full force until the termination or expiration of the State Agreement.
- 8.7. the State shall maintain ownership and have all rights, title and interest to the Specifications, Appendixes to this Assignment Agreement, and any documents provided to it by the Entrepreneur in accordance to this Assignment Agreement and all related intellectual property rights, including but not limited to all rights associated with patents, know how, trademarks, copyrights, trade secrets, trade names etc. embodied in the above-mentioned, including any improvements, modifications or enhancements to them that arise, developed and/or incorporated in the Intellectual Property through the relationship hereunder, regardless of whether such items are created or suggested by the Entrepreneur (the "**Intellectual Property**").

9. GOVERNING LAW

- 9.1. This Assignment Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Israel without giving effect to principles of conflicts of law. The Parties agree that the courts located in Jerusalem shall have sole jurisdiction to settle any disputes that may arise out of or in connection with this Assignment Agreement and its validity, and that, accordingly, any suit, action or proceeding arising out of or in connection with this Assignment Agreement may be brought to such courts only.

10. INTERPRETATION

- 10.1. Schedules and Appendixes are part of this Assignment Agreement.
- 10.2. This Assignment Agreement, together with the Schedules and Appendixes attached hereto and the State Agreement and the Government Agreements and the Procurement Documents, constitutes the entire agreement and complete understanding between the parties with respect to the subject matter described herein and therein and supersedes all other understandings and agreements between the Parties with respect to such subject matter.
It is clarified that signing the State Agreement is a precondition for the validity of this Assignment Agreement. This Assignment Agreement supersedes all prior or simultaneous representations, discussions, negotiations, letters, proposals, agreements and understandings between the parties hereto with respect to the subject matter hereof and thereof, whether written or oral.
- 10.3. In Any case of conflict between terms of this Assignment Agreement and the terms of the State Agreement and/or the Government Agreements, the terms which are more beneficial for the State shall prevail.
- 10.4. Captions or headings to Articles, Sections or paragraphs of this Assignment Agreement are inserted for convenience of reference only and shall not affect the interpretation or construction hereof.

10.5. This Assignment Agreement shall be interpreted in a manner as to be consistent with the intent of the parties to apply Good Utility Practice to the execution of this Assignment Agreement, where details of such works, services, and/or performances are not included, are incomplete, are not specified, or are not clearly defined in the Specifications.

11. ASSIGNMENT

11.1. The Entrepreneur shall not assign or transfer this Assignment Agreement or any of its rights or obligations created hereunder, by operation of law or otherwise, without the prior written consent of the State.

12. MISCELLANEOUS

12.1. This Assignment Agreement is not intended to and shall not create rights of any character whatsoever in favor of any person other than the Parties to the Assignment Agreement, unless explicitly provided otherwise.

12.2. Whenever this Assignment Agreement grants to any Party the right to take action, exercise discretion, or determine whether to approve a proposal of any other Party, the Party possessing the right shall act in good faith and shall deal fairly with each other. In the event of a Dispute, the Parties shall be obligated to make a reasonable and diligent effort to resolve the Dispute at the appropriate level before approaching to courts. Each of the Parties further expressly agrees that at all times it will exercise its good faith in the administration of this Assignment Agreement, and all actions of the Parties shall be designed to facilitate the successful execution of this Assignment Agreement and to promote the effective and efficient administration of the operation of Tadmor School, High School and Hotel and this Assignment Agreement.

12.3. Every part, term or provision of the Assignment Agreement is severable from others. Notwithstanding any possible future finding by duly constituted authority that a particular part, term or provision is invalid, void or unenforceable, the Assignment Agreement has been made with the clear intention that the validity and enforceability of the remaining parts, terms and provisions shall not be affected thereby.

12.4. All representations and warranties, and all agreements by the parties in this Assignment Agreement to indemnify each other shall survive the termination of this Assignment Agreement. The termination of this Assignment Agreement shall not limit or otherwise affect the respective rights and obligations of the Parties which accrued prior to the date of termination, and which continue to exist following the termination of this Assignment Agreement.

12.5. When words that have a well-known technical or trade meaning are used to describe materials, equipment or services, such words will be interpreted in accordance with such meaning. Reference to such standard specifications, manuals, or codes of any technical society, organization or association, or to the code of any governmental authority, whether such references be specific or by implication, shall mean the latest standard specification, manual or code (whether or not specifically incorporated by reference in the contract documents). Performance shall conform to the standards in effect at the time of performance

and may change the duties and responsibilities of Entrepreneur or Owner, or any of their agents, consultants, or employees from those set forth in the Agreement.

12.6. This Assignment Agreement may be amended only by a written instrument signed by a duly authorized representative of each Party (note bene, after the assignment of the Tadmor's rights and obligation including as detailed in the Government Agreements to the Entrepreneur, the Tadmor's signature shall not be required any more). The failure of any Party to insist on one or more occasions upon strict performance of the obligations owed it by the other parties shall not waive or release such party's right to insist on strict performance of such obligation or any other obligation in the future.

12.7. Except as expressly provided otherwise in this Assignment Agreement, all notices given to any of the Parties pursuant to or in connection with this Assignment Agreement shall be in writing, shall be delivered by hand, by certified or registered mail, return receipt requested, by facsimile transmission with confirmation, or by Federal Express, Express Mail, or other nationally recognized overnight carrier. Notices are effective when received. Notice addresses are as follows:

12.7.1. Entrepreneur:
Address: _____
E-mail: _____
Fax: _____

12.7.2. Tadmor:
Address: _____
E-mail: _____
Fax: _____

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE EXECUTED THIS ASSIGNMENT AGREEMENT THE DAY AND YEAR FIRST WRITTEN ABOVE.

TADMOR

Name: _____

Position: _____

Signature: _____

Date: _____

ENTREPRENEUR

Name: _____

Position: _____

Signature: _____

Date: _____

Appendix C

Details and terms of the transference of Tadmor's Employees

Without derogating from the generality of the provisions of the Assignment Agreement, the following instructions will apply with respect to the assignment of Tadmor's Employees and the transference of such employees from Tadmor to the Entrepreneur proceeding the signing of the Assignment Agreement:

1. The Entrepreneur will employ all of Tadmor's willing employees while maintaining a continues preservation of such employees' rights and/or benefits ("רצף זכויות") included in their previous employment agreements and within the "Proposal for the Company's Employees" (Appendix B8) and Tadmor's working force data table (updated, signed by the Entrepreneur and attached to this appendix (Appendix B9)). For the removal of any doubt, it is clarified that any resignation, dismissal or early retirement of employees will be executed in accordance with these agreements.

It is clarified that Tadmor will bear the resignation, dismissal or early retirement cost according to the "Proposal for the Company's Employees" and the Law of any of Tadmor's employees, as long as such resignation, dismissal or early retirement has occurred with in ninety (90) days of the signing of this Assignment Agreement by Tadmor (or 30 days after the end of the school year in the event that the employee is one of the high school teachers or principle) (the "**Dismissal or Early Retirement**"). Tadmor's liability for such costs is also conditioned in the fulfillment of all of the following:

- 1.1. The State had authorized (subject to the approval of the Finance Committee of the Knesset accordance to section 10 of the Government Companies Law which has yet to be given), the transference of additional funds to Tadmor, specifically for the purpose of covering the costs arising out of the Dismissal or Early Retirement of any of Tadmor's employees.
- 1.2. The costs relating to the Dismissal or Early Retirement of any of Tadmor's employees has been authorized by Tadmor, subject to the prior approval of the State, prior to any such Dismissal or Early Retirement; the process of such authorization will be determined by Tadmor prior to the Transfer Date and the Entrepreneur will be notified accordingly. It is clarified that in the event that Tadmor, subject to the prior approval of the State, will authorize only some of the costs, it will only be liable for the costs authorized.
- 1.3. The State transferred the required funds to Tadmor and Tadmor received such funds prior to any payment Tadmor will pass to the Entrepreneur with regard to any Dismissal or Early Retirement of any of Tadmor's employees.
- 1.4. The Entrepreneur will reimburse Tadmor for all costs paid to it regarding any of Tadmor's employees which the Entrepreneur has rehired after his Dismissal or Early Retirement in the

event that such rehiring has accord within 12 months of the employee's Dismissal or Early Retirement.

1.5. The Entrepreneur will adhere to any additional restriction and/or condition set with regard to the employment and/or Dismissal or Early Retirement of any of Tadmor's employees.

It is clarified that if any of the conditions above will not be met Tadmor will not pay the Entrepreneur such costs.

It is further clarified that in any event the Entrepreneur is obligated to pay all costs due to Tadmor's employees regardless to any transference of such cost to it from Tadmor.