

AMENDMENT TO CONVERTIBLE BRIDGE FINANCING AND CONVERSION AGREEMENT

This AMENDMENT TO CONVERTIBLE BRIDGE FINANCING AND CONVERSION AGREEMENT (the "Amendment and Conversion Agreement") is made and entered into as of [REDACTED], 2017 (the "Effective Date"), by and between Reporty Homeland Security Ltd., a company organized under the laws of the State of Israel (the "Company") and the payers listed below in the signature page;

WHEREAS, the Company executed the Bridge Financing Agreement by and between the Company and the Payers (as defined therein) as amended on October 25, 2016, in the form attached hereto as Exhibit A (the "Bridge Financing Agreement"); and

WHEREAS, the Payers party to this agreement constitute the required Majority Payers (as such term is defined in the Bridge Financing Agreement); and

WHEREAS, pursuant to Section 7.6 of the Bridge Financing Agreement, the Majority Payers agree to make certain changes to the Bridge Financing Agreement on behalf of all Payers, and to convert the entire outstanding Aggregate Financing Amount (as defined in the Bridge Financing Agreement) into Company's Preferred A-1 Shares according to the terms set forth below;

NOW, THEREFORE, the parties hereby agree as follows:

1. Notwithstanding anything to the contrary in the Bridge Financing Agreement, it is hereby agreed by the Company and the Majority Payers (on behalf of all Payers and with respect to the entire outstanding Aggregate Financing Amount) that the Bridge Financing Agreement is hereby amended upon the execution of this Amendment and Conversion Agreement, as follows:
 - 1.1. The entire outstanding Aggregate Financing Amount (as defined in the Bridge Financing Agreement) shall be automatically converted on [REDACTED], 2017 (the "Conversion Date") into Preferred A-1 shares of the Company, nominal value NIS 0.01 per share (the "Preferred A-1 Shares"), based on a price per share equal to [REDACTED] (the "PPA"), reflecting a pre-money valuation of the Company, on a fully diluted basis as of immediately prior to the Maturity Date of twenty million U.S. Dollars (US \$20,000,000). For the purpose of the company's pre-money fully diluted basis shall not include the shares issued or issuable as a result of conversion of the Aggregate Financing Amount under all of Bridge Financing Agreements, and any shares issuable if any as a result of an exercise of the two warrants to purchase an aggregate amount of up to 61,251 Preferred A shares of the company, which were issued by the Company to Ergo (E.B. 2014) Ltd. or to its affiliates at the closing of the series A share purchase agreement on March 29, 2015).
 - 1.2. For an avoidance of doubt, the price per share of the Preferred A-1 shares shall be calculated based on a pre-money valuation of the Company, on a fully diluted basis as of immediately prior to the Maturity Date of twenty million U.S. Dollars (US \$20,000,000), excluding, for the avoidance of doubt, the shares issued or issuable as a result of conversion of the Aggregate Financing Amount under all of Bridge Financing Agreements or under any other convertible note agreements issued by the Company following the execution date of the Bridge Financing Agreement, and the shares issuable as a result of an exercise of the warrants which were issued by the Company.
2. Upon the conversion, the Majority Payers confirm (on behalf of all Payers) that the issuance of the Preferred A-1 Shares hereunder shall constitute complete and final conversion of the outstanding Aggregate Financing Amount and upon such issuance, the

Bridge Financing Agreements shall be terminated and expired and be of no further force and effect and the Company shall be deemed to have satisfied all of its obligations under the Bridge Financing Agreements, and will not have any further obligations or liabilities whatsoever pursuant to the Bridge Financing Agreements.

3. Upon the conversion, the Company shall deliver to the Payers validly executed share certificates covering the Preferred A-1 Shares to be issued each Payers, as set forth in the table attached hereto as Exhibit B, and shall register the allotment of such shares, in the Company's share register.
4. Each Payer, which shall be deemed to be an interested party as determined according to the Israeli Securities law ,pursuant to the share issuance upon the conversion of the outstanding Aggregate Financing Amount, shall execute and deliver to the Company an undertaking as provided by the National Technological Innovation Authority (formerly the Israeli Office of the Chief Scientist), as required by the provisions of the Encouragement of Research, Development and Technological Innovation in the Industry Law 5744-1984 in the form attached hereto as Exhibit C.
5. No Other Amendments. Upon the execution hereof, this Amendment shall have the effect of amending the Bridge Financing Agreement only insofar as required to give effect to the provisions herein. Unless otherwise specifically provided for herein, all other terms and conditions of the Bridge Financing Agreement shall remain in full force and effect.
6. Entire Agreement. Upon execution this Amendment shall be deemed an integral part of the Bridge Financing Agreement and the Bridge Financing Agreement shall be read as one amended agreement for all purposes.

[Signature Page to Follow]

IN WITNESS WHEREOF, the undersigned, the Majority Payers, have executed this Amendment effective as of the Effective Date.

REPORTY HOMELAND SECURITY FAR EAST INTERNATIONAL LTD. HOLDINGS GROUP LIMITED.

By: _____

By: _____

Title: _____

Title: : _____

COLIBRI TECHNOLOGIES INC.

ORIELLA LIMITED.

By: _____

By: _____

Title: _____

Title: : _____

DAONIT LTD.

CATHERINE B. REYNOLDS TRUST.

By: _____

By: _____

Title: _____

Title: : _____

ANDREW INTRATER

KPC VENTURE CAPITAL LLC

By: _____

By: _____

Title: _____

Title: : _____

CATHERINE B. REYNOLDS IRREVOCABLE GRANTOR TRUST

By: _____

Title: _____

[Signature Page / Second Amendment to Bridge Financing Agreement]

Exhibit B

<u>The Payer</u>	<u>Financing Amount</u>	<u>Preferred A-1 Shares</u>
Catherine B Reynolds Revocable Trust u/t/a dtd 6/25/09	\$400,000	3,508
Daonit Ltd.	\$150,000	1,316
Colibri Technologies Inc.	\$2,000,000	17,540
Far East International Holdings Group Limited	\$1,000,000	8,770
Catherine B Reynolds Irrevocable Grantor Trust fbo Megan Reynolds	\$100,000	877
Oriella Limited	\$500,000	4,385
Andrew Intrater	\$1,000,000	8,770
KPC Venture Capital LLC	\$1,500,000	13,155