

SHAREHOLDERS' RIGHTS AGREEMENT

THIS SHAREHOLDERS' RIGHTS AGREEMENT (this "**Agreement**") made as of the [] day of [], 2015, by and among Reporty Homeland Security Ltd., an Israeli company No. 515106409 (the "**Company**"), Amir Elichai, Alexander Dizengoff, Yonatan Yatsun, Lital Leshem, Gal Kaminka, Ortal Sigler (**H2O**) and Pinchas Buchris (the "**Ordinary Shareholders**") and _____ (the "**Investor**").

WITNESSETH:

WHEREAS, the Ordinary Shareholders and the Investor are all shareholders of the Company; and

WHEREAS, the Company and the Investor are all parties to that certain Series A Preferred Share Purchase Agreement, dated of even date hereof (the "**Series A SPA**"); and

WHEREAS, the Investor is the holder of Preferred A Shares, nominal value NIS 0.01 each (the "**Preferred Shares**" and "**Preferred Shareholder**", respectively); and

WHEREAS, the Ordinary Shareholders are the holders of all of the issued and outstanding Ordinary Shares of the Company, nominal value NIS 0.01 each (the "**Ordinary Shares**"); and

WHEREAS, the Company, the Ordinary Shareholders and the Preferred Shareholder desire to set forth certain matters regarding their rights and the ownership of the shares of the Company.

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, the parties hereby agree as follows:

1. **Affirmative Covenants.**

1.1 **Information and Management Rights.**

Prior to a QIPO, as such term is defined in the Articles (as defined below), the Preferred Shareholders and the Ordinary Shareholders holding at least **10%** of the Company's issued and outstanding share capital ("**Eligible Shareholder**"), shall be entitled to receive from the Company the following:

(a) **Financial Statements.** As soon as practicable, but in any event within: (i) ninety (90) days after the end of each fiscal year of the Company, a consolidated balance sheet of the Company as of the end of such year, statements of income and statements of cash flow of the Company for such year, setting forth, in each case, in comparative form the figures for the previous fiscal year, all in reasonable detail, United States dollar-denominated, prepared in accordance with the Israeli Generally Accepted Accounting Principles ("**GAAP**"), audited by one of the "Big 4" accounting firms or any other accounting firm approved by the Preferred Directors (as such term is defined in the Company's Articles of Association, as amended from time to time (the "**Articles**")), and accompanied by an opinion of the Company's accountant, which opinion shall state that such balance sheet and statements of income and cash flow have been prepared in accordance with GAAP, applied on a basis consistent with that of the preceding fiscal year, and present fairly and accurately the financial position of the Company as of their date, and that the audit by such accountant in connection with such financial statements, has been made in accordance with the GAAP; (ii) sixty (60) days after the end of the first, second and third quarter of each fiscal year of the Company, an unaudited consolidated balance sheet of the Company as at the end of each such

period, and unaudited consolidated statements of (i) income and (ii) cash flow of the Company for such period and, in the case of the first, second and third quarterly periods, for the period from the beginning of the current fiscal year to the end of such quarterly period, setting forth in each case in comparative form the figures for the corresponding period of the previous fiscal year, all in reasonable detail, United States dollar-denominated and certified, by the chief financial officer (or if none, by the chief executive officer) of the Company (the "**Executive**"), that such financial statements were prepared in accordance with GAAP applied on a basis consistent with that of preceding periods and, except as otherwise stated therein, fairly present the financial position of the Company as of their date subject to (x) there being no footnotes contained therein and (y) changes resulting from year-end audit adjustments, and all reviewed by one of the "Big 4" accounting firms or any other accounting firm, approved by one of the Preferred Directors.

(b) Monthly Report. As soon as practicable, but in any event within thirty (30) days after the end of each calendar month, a management accounts report as of the end of such month (including, business updates, overviews, profit and loss opening cash, income, expenses and closing cash, budget variance report and explanatory notes thereto), in a form agreed by the Board of Directors of the Company (the "**Board**"), including one of the Preferred Directors, signed by the Executive;

(c) Business Plan and Budget. A copy of the Business Plan and Budget (as such term is defined under Section 1.2), as soon as practicable, but in any event at least thirty (30) days prior to the first day of the year covered by such Business Plan and Budget;

(d) Additional Information. The Company will permit the authorized representatives of the Eligible Shareholders full and free access, at all reasonable times, and upon reasonable prior notice, to any of the properties of the Company relevant to its finance and accounts, including its books and relevant records to review and copy them, at the Eligible Shareholders' discretion reasonable request, to discuss its affairs, finances and accounts with the Company's officers, auditor, accountants and legal advisors and to inspect the properties of the Company and consult with the management of the Company for any purpose whatsoever. In addition, the Company will inform the Eligible Shareholders with reasonable promptness: (i) immediately upon the happening of any event likely to that have has a significant impact upon the Company or its business, of such event and its implications; (ii) of any material proceeding or material governmental inquiry or investigation is pending or, to the knowledge of the Company, threatened against the Company or any of its officers, directors, or employees (all, in their capacity as such), or against any of the Company's major properties, before any court, arbitration board or tribunal or administrative or other governmental agency; and (iii) with reasonable promptness, to the discretion of the Company such other information and data with respect to the Company or its subsidiaries or its affiliated entities, as the Eligible Shareholders may from time to time reasonably request. This Section shall not be in limitation of any rights which the Eligible Shareholders or any director appointed by the Preferred Shareholder may have under the applicable law. The Company shall not be obligated pursuant to this Section (d), or otherwise, to provide access to any information which would impair attorney-client privileges between the Company and its counsel or which involves a conflict of interest, such determination made and resolved reasonably by the Board, acting in good faith or is not in favor of the Company as determined by the Board.

1.2 Business Plan and Budget. The management of the Company shall establish, annually, an operating and strategic plan and budget for the Company (the "**Business Plan and Budget**"), which shall be submitted for the Board's approval (including the affirmative vote of one of the Preferred Directors). The Business Plan and Budget for the following year shall be approved by the Board at least thirty (30) days prior to the first day of the year covered by such Business Plan and Budget and shall be submitted to the Eligible Shareholders pursuant to Section 1.1 above.

1.3 **Accounting.** The Company will maintain a system of accounting established and administered in accordance with the GAAP consistently applied, and will set aside on its books all such proper reserves as shall be required by GAAP.

1.4 **Proprietary Information and Non-Competition Agreements.** The Company will not employ, or continue to employ, any person who will have access to confidential information of the Company and/or any of its affiliate thereof, or any information which is related to the Company's and/or any of its affiliate's operations and business, unless such person has executed and delivered a Proprietary Information, Non-Competition Agreement and an applicable Assignment of Inventions Agreement, substantially in a form and substance that shall be approved by the Board.

2. **Registration.** The following provisions govern the registration of the Company's securities:

2.1

2.1.2.2 **Definitions.** As used herein, the following terms have the following meanings:

2.1.1.2.2.1. **"Holder(s)"** means, any holder of the Company's outstanding Registrable Securities (as defined below) or shares convertible into Registrable Securities, who acquired such Registrable Securities or shares convertible into Registrable Securities in a transaction or series of transactions not involving any registered public offering.

2.1.2.2.2. **"Form F-3"** means, Form F-3 under the Securities Act, as in effect on the date hereof, or any successor registration form under the Securities Act, subsequently adopted by the Securities and Exchange Commission ("SEC") which permits inclusion or incorporation of substantial information by reference to other documents filed by the Company with the SEC.

2.1.3.2.2.3. **"Register", "registered" and "registration"** refer to a registration effected by filing a registration statement in compliance with the Securities Act and the declaration or ordering by the SEC of effectiveness of such registration statement, or the equivalent actions under the laws of another jurisdiction.

2.1.4.2.2.4. **"Registrable Securities"** means, all Ordinary Shares issuable by the Company upon conversion of the Company's preferred shares, Ordinary Shares issued by the Company to the Ordinary Shareholders, Ordinary Shares that any Holder may hereafter purchase pursuant to its preemptive rights, rights of first refusal or otherwise, or Ordinary Shares issued upon conversion under exercise of other securities so purchased; provided however, that any share capital which could be distributed by the holder thereof (in accordance with applicable law) within three (3) months pursuant to Rule 144 promulgated under the Securities Act without the registration of such share capital, shall not be deemed to be Registrable Securities.

2.2.3 **Incidental Registration.** If the Company at any time proposes to register any of its securities for its own account, or for the account of any other party, other than: (i) in a demand registration under Section 2.3 or Section 2.4 of this Agreement; or (ii) a registration relating to employee benefit plans; it shall give notice to the Holders, of such intention. Upon the written request of any Holder, given within twenty (20) days after receipt of any such notice, the Company shall include in such registration all of the Registrable Securities indicated in such request so as to permit the disposition of the shares so registered. Notwithstanding anything to the contrary under this Agreement, if the managing underwriter advises the Company in writing that marketing factors require a limitation of the number of shares to be underwritten, then Registrable Securities shall be excluded from such registration and underwriting, to the extent necessary, to satisfy such limitation. The Registrable Shares to be included in such excluded registration shall be the Registrable Securities held by the Ordinary Shareholders, pro-rata, based on the total number of Registrable Securities then held by the Ordinary Shareholders requesting to be included in such registration, and the Registrable Securities held by the Preferred Shareholders, pro-rata, based on the total number of

Registrable Securities then held by the Preferred Shareholders requesting to be included in such registration, allocated between them based on the division of 1:3 ratio (1 for Ordinary Shares and 3 for Preferred Shares (the "**Cut-Back Ratio**"). In connection with any offering involving an underwriting of shares of the Company's share capital pursuant to this Section 2.2, the Company shall not be required to include any of the Registrable Securities in such underwriting unless the Holders accept the terms of the underwriting as agreed upon between the Company and its underwriters.

It is hereby clarified that the right of the Holders under this Section 2.2 may be used for an unlimited number of times subject to the above qualifications. Registrations effected pursuant to this Section 2.2 shall not be counted as registrations effected pursuant to Section 2.3.

2.32.4 Demand Registration. At any time following the effective date of the consummation of an IPO, the Holders of the majority of Registrable Securities shall have the right to demand in writing that all or part of the Registrable Securities held by it shall be registered for trading on any securities exchange or under any market system as to which any of the Company's Ordinary Shares are then admitted for trading. Within twenty (20) days after receipt of any such request, the Company shall give written notice of such request to the remaining Holders and shall include in such registration all Registrable Securities held by all of the Holders who wish to participate in such demand registration and provide the Company with written requests for inclusion therein, within fifteen (15) days after the receipt of the Company's notice. Thereupon, the Company shall effect the registration of all Registrable Securities as to which it has received requests for registration for trading on the securities exchange specified in the request for registration. Notwithstanding anything to the contrary under this Section 2.3, if the managing underwriter advises the Holders in writing that marketing factors require a limitation of the number of shares to be underwritten, then Registrable Securities shall be excluded from such registration and underwriting, to the extent necessary, to satisfy such limitation. The Registrable Shares to be included in such excluded registration shall be the Registrable Securities held by the Ordinary Shareholders, pro-rata, based on the total number of Registrable Securities then held by the Ordinary Shareholders requesting to be included in such registration, and the Registrable Securities held by the Preferred Shareholders, pro-rata, based on the total number of Registrable Securities then held by the Preferred Shareholders requesting to be included in such registration, allocated between them based on the Cut-Back Ratio. The Company shall not be required to effect more than two (2) registrations under this Section 2.3 for the Holders of the majority of Registrable Securities, provided that each such registration has been declared or ordered effective and has remained effective as required under the terms of this Agreement. Notwithstanding the foregoing, the Company shall not be required to effect a registration pursuant to this Section 2.3: (i) during the period starting with the date of filing of any Registrable Securities pursuant to this Section 2.3, and ending on the date one hundred eighty (180) days following the effective date of a registration statement pertaining to the Company's securities (but other than (a) registration relating solely to employee benefit plans; or (b) a registration statement pertaining to a shelf offering); (ii) if within thirty (30) days of receipt of a written request from the Holders of the majority of Registrable Securities pursuant to this Section 2.3, the Company gives notice to the Holders of the Company's good faith intention to file a registration statement for a public offering within ninety (90) days, ~~provided that the Company actually files such registration statement within such ninety (90) days, and further provided, however,~~ that the Company makes reasonable good faith efforts to cause such registration statement to become effective.

2.42.5 Form F-3 Registration. In case the Company shall receive from any Holder a written request or requests that the Company effects a registration on Form F-3, and any related qualification or compliance, with respect to Registrable Securities, the Company will, within twenty (20) days after receipt of any such request, give written notice of the proposed registration, and any related qualification or compliance, to the remaining Holders, and include in such registration all Registrable Securities held by all such Holders who wish to participate in such registration and

provide the Company with written requests for inclusion therein within fifteen (15) days after the receipt of the Company's notice. Thereupon, as soon as practicable but in no event not later than forty five (45) days from the Holder's initial request, the Company shall effect such registration and all such qualifications and compliances as may be reasonably so requested, and as would permit or facilitate the sale and distribution of all or such portion of such Holders' Registrable Securities as are specified in such request, together with all or such portion of the Registrable Securities of any other Holder or Holders joining in such request, as are specified in a written request given within fifteen (15) days after receipt of such written notice from the Company; *provided, however*, that if the managing underwriter advises the Holders in writing that marketing factors require a limitation of the number of shares to be underwritten, then Registrable Securities shall be excluded from such registration and underwriting, to the extent necessary, to satisfy such limitation. The Registrable Shares to be included in such excluded registration shall be the Registrable Securities held by the Ordinary Shareholders, pro-rata, based on the total number of Registrable Securities then held by the Ordinary Shareholders requesting to be included in such registration, and the Registrable Securities held by the Preferred Shareholders, pro-rata, based on the total number of Registrable Securities then held by the Preferred Shareholders requesting to be included in such registration, allocated between them based on the Cut-Back Ratio Shareholders; *provided*, that the Holders shall have unlimited registrations on the registration under this Section 2.4; *provided further*, that the Company shall not be obligated to effect any such registration, qualification or compliance, pursuant to this Section 2.4: (i) if Form F-3 is not available for such offering by the Holders; (ii) if the Holders propose to sell Registrable Securities and such other securities (if any) at an aggregate price to the public of less than one million United States dollars (US\$1,000,000), (iii) if within ten (10) days of receipt of a written request from the Holders requesting a registration statement pursuant to this Section 2.4, the Company gives notice to the Holders of Registrable Securities of the Company's good faith intention to file a registration statement for a public offering within thirty (30) days, ~~provided that the Company actually files such registration statement within such thirty (30) days and~~ makes reasonable good faith efforts to cause such registration statement to become effective, (iv) if the Company furnish to the Holders requesting a registration statement pursuant to this Section 2.4, a certificate signed by the chief executive officer of the Company or chairman of the Board, stating that in the good faith judgment of the Board, it would be materially detrimental to the Company and its shareholders for such Form F-3 registration statement to be effected at such time and it is therefore essential to defer the filing of such registration, then the Company shall have the right to defer the filing of the Form F-3 registration statement for a period of not more than one hundred and twenty (120) days after receipt of the request of the Holders under this Section 2.4;; (v) during the period starting with the date sixty (60) days prior to the Company's estimated date of filing of, and ending on the date that is ninety (90) days immediately following the effective date of, any registration statement pertaining to securities of the Company (other than a registration of securities in a Rule 145 transaction or with respect to an employee benefit plan), provided that the Company makes reasonable good faith efforts to cause such registration statement to become effective and that the Company's estimate of the date of filing such registration statement is made in good faith; or (vi) in any particular jurisdiction in which the Company would be required to qualify to do business or to execute a general consent to service of process in effecting such registration, qualification or compliance, *provided, however*, that the Company shall not utilize the right conferred to the Holders pursuant to this Section 2.4 more than once in any twelve (12) month period.

2-52.6 Designation of Underwriter. (a) in the case of any registration effected pursuant to Sections 2.3 or 2.4, the Holders of the majority of the Registrable Shares have the right to designate the managing underwriter(s) in any underwritten offering, subject to the Company's approval, which shall not be unreasonably withheld; (b) in the case of any registration initiated by the Company, the Company shall have the right to designate the managing underwriter in any underwritten offering with the approval of the majority of the Preferred Shareholders, which shall not be unreasonably withheld.

2-62.7 Expenses. All expenses, including the reasonable fees and expenses of one counsel for the Holders requesting a registration statement incurred in connection with any registration under Section 2.2, Section 2.3 or Section 2.4 subject to the exclusions therein, shall be borne by the Company; *provided, however*, that each of the Holders participating in such registration shall pay its pro rata portion of discounts or commissions payable to any underwriter and fees and disbursements of counsel for any Holder relating to Registrable Securities registered pursuant to this Agreement.

2-72.8 Indemnities. In the event of any registered offering of Registrable Securities pursuant to this Section 2:

2-7.1-2.8.1. The Company will indemnify and hold harmless, to the fullest extent permitted by law, any Holder, whose Registrable Securities or shares are included in the registration, and any underwriter for such Holder, and each person, if any, who controls the Holder or such underwriter, from and against any and all losses, damages, claims, liabilities, joint or several, costs and expenses (including any amounts paid in any settlement effected with the Company's consent) to which the Holder or any such underwriter or controlling person may become subject under applicable law or otherwise, insofar as such losses, damages, claims, liabilities (or actions or proceedings in respect thereof), costs or expenses arise out of or are based upon: (i) any untrue statement or alleged untrue statement of any material fact contained in the registration statement or included in the prospectus, as amended or supplemented, or (ii) the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances in which they are made, not misleading, and the Company will reimburse the Holder or such underwriter and each such controlling person of the Holder or the underwriter, promptly upon written demand, for any reasonable legal or any other expenses incurred by them in connection with investigating, preparing to defend or defending against or appearing as a third-party witness in connection with such loss, claim, damage, liability, action or proceeding; *provided, however*, that the Company will not be liable in any such case to the extent that any such loss, damage, liability, cost or expense arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission so made in conformity with information furnished in writing by such Holder, such underwriter or such controlling persons claiming for indemnification in writing specifically for inclusion therein; and *provided, further*, that this indemnity shall not be deemed to relieve any underwriter of any of its due diligence obligations; and *provided, further*, that the indemnity agreement contained in this Section 2.7.1 shall not apply to amounts paid in settlement of any such claim, loss, damage, liability or action if such settlement is effected without the written consent of the Company, which consent shall not be unreasonably withheld. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of the Holder, the underwriter or any controlling person of the Holder or the underwriter, and regardless of any sale in connection with such offering by the Holder. Such indemnity shall survive any transfer of securities by the Holder.

2-7.2-2.8.2. Each Holder participating in a registration hereunder, will furnish to the Company, in writing, any information regarding such Holder and his or its intended method of distribution of Registrable Securities or shares as the Company may reasonably request, and will indemnify and hold harmless the Company, any underwriter for the Company, any other person participating in the distribution and each person, if any, who controls the Company, such underwriter, or such other person from and against any and all losses, damages, claims, liabilities, costs or expenses (including any amounts paid in any settlement effected with the Holder's consent) to which the Company or any such controlling person and/or any such underwriter may become subject under applicable law or otherwise, insofar as such losses, damages, claims, liabilities (or actions or proceedings in respect thereof), costs or expenses arise out of or are based on (i) any untrue or alleged untrue statement of any material fact contained in the registration statement or included in the prospectus, as amended or supplemented, or (ii) the omission or the alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances in which they were made, not misleading, but,

in each case, only to the extent of such information relating to such Holder and provided in writing by such Holder, and each such Holder will reimburse the Company, any underwriter, any other person participating in the distribution and each such controlling person of the Company, any underwriter or other person, promptly upon demand, for any reasonable legal or other expenses incurred by them in connection with investigating, preparing to defend or defending against or appearing as a third-party witness in connection with such loss, claim, damage, liability, action or proceeding; but only, in each case, to the extent that such untrue statement or alleged untrue statement or omission or alleged omission was so made in strict conformity with written information furnished by such Holder specifically for inclusion therein. The foregoing indemnity agreement shall be individual and several by each Holder. The foregoing indemnity is also subject to the condition that, insofar as it relates to any such untrue statement (or alleged untrue statement) or omission (or alleged omission) made in the preliminary prospectus but eliminated or remedied in the amended prospectus at the time the registration statement becomes effective or in the final prospectus, such indemnity agreement shall not inure to the benefit of (i) the Company or any party that controls the Company, (ii) any underwriter, if a copy of the final prospectus was not furnished to the person or entity asserting the loss, liability, claim or damage at or prior to the time such furnishing is required by the Securities Act; *provided, further*, that this indemnity shall not be deemed to relieve any underwriter of any of its due diligence obligations; *provided, further*, that the indemnity agreement contained in this Section 2.7.2 shall not apply to amounts paid in settlement of any such claim, loss, damage, liability or action if such settlement is effected without the consent of the Holders, as the case may be, which consent shall not be unreasonably withheld. In no event shall the liability of a Holder exceed the net proceeds from the offering received by such Holder.

2.7.3-2.8.3. Promptly after receipt by an indemnified party pursuant to the provisions of Sections 2.7.1 or 2.7.2 of notice of the commencement of any action involving the subject matter of the foregoing indemnity provisions, such indemnified party will, if a claim thereof is to be made against the indemnifying party pursuant to the provisions of said Section 2.7.1 or 2.7.2, promptly notify the indemnifying party of the commencement thereof; but the omission to notify the indemnifying party will not relieve it from any liability which it may have to any indemnified party hereunder. In case such action is brought against any indemnified party and it notifies the indemnifying party of the commencement thereof, the indemnifying party shall have the right to participate in, and, to the extent that it may wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof with counsel reasonably satisfactory to such indemnified party; *provided, however*, that if the defendants in any action include both the indemnified party and the indemnifying party and the indemnified party reasonably believes that there is a conflict of interests which would prevent counsel for the indemnifying party from also representing the indemnified party, the indemnified party or parties shall have the right to select one separate counsel to participate in the defense of such action on behalf of such indemnified party or parties. After notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party will not be liable to such indemnified party pursuant to the provisions of said Sections 2.7.1 or 2.7.2, for any legal or other expense subsequently incurred by such indemnified party in connection with the defense thereof, unless (i) the indemnified party shall have employed counsel in accordance with the provision of the preceding sentence, (ii) the indemnifying party shall not have employed counsel reasonably satisfactory to the indemnified party to represent the indemnified party within a reasonable time after the notice of the commencement of the action and within 15 days after written notice of the indemnified party's intention to employ separate counsel pursuant to the previous sentence, or (iii) the indemnifying party has authorized the employment of counsel for the indemnified party at the expense of the indemnifying party. No indemnifying party will consent to entry of any judgment or enter into any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect to such claim or litigation.

2.7.4.2.8.4. If recovery is not available under the foregoing indemnification provisions, for any reason other than as specified therein, the parties entitled to indemnification by the terms thereof shall be entitled to contribution to liabilities and expenses as more fully set forth in an underwriting agreement to be executed in connection with such registration. In determining the amount of contribution to which the respective parties are entitled, there shall be considered the parties' relative knowledge and access to information concerning the matter with respect to which the claim was asserted, the opportunity to correct and prevent any statement or omission, and any other equitable considerations appropriate under the circumstances. In no event shall the liability of a Holder exceed the net proceeds from the offering received by such Holder.

2.7.5.2.8.5. Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall prevail.

2.7.6.2.8.6. Unless otherwise superseded by an underwriting agreement entered into in connection with the underwritten public offering, the obligations of the Company and Holders under this Section 2.7 shall survive the completion of any offering of Registrable Securities in a registration under this Section 2.7.6, and otherwise shall survive the termination of this Agreement.

2.8.2.9 Obligations of the Company. Whenever required and not limited under this Section 2 to effect the registration of any Registrable Securities, the Company shall, as expeditiously as possible:

2.8.1.2.9.1. Prepare and file with the SEC a registration statement with respect to such Registrable Securities and use its reasonable commercial efforts to cause such registration statement to become effective, ~~and, upon the request of the Preferred Shareholder, keep such registration statement effective for a period of up to twelve (12) months or, if sooner, until the distribution contemplated in the registration statement has been completed.~~

2.8.2.2.9.2. Prepare and file with the SEC such amendments and supplements to such registration statement and the prospectus used in connection with such registration statement as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of all Registrable Securities covered by such registration statement and as may be necessary to keep such registration statement effective until the earlier of: (i) the date on which all Registrable Securities covered by such registration statement have been sold, and (ii) twelve (12) months after the effective date of such registration statement.

2.8.3.2.9.3. Furnish to the Holders such numbers of copies of a prospectus, including a preliminary prospectus, in conformity with the requirements of the Securities Act, and such other documents as they may reasonably request in order to facilitate the disposition of Registrable Securities owned by them.

2.8.4.2.9.4. In the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the managing underwriter of such offering. Each Holder participating in such underwriting shall also enter into and perform its obligations under such an agreement.

2.8.5.2.9.5. Notify each holder of Registrable Securities covered by such registration statement at any time when a prospectus relating thereto is required to be delivered under the act of the happening of any event that comes to its knowledge, as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing.

2-8.6.2.9.6. Register and qualify the securities covered by such registration statement under such other securities or blue sky laws of such jurisdictions as shall be reasonably requested by the Holders.

2-8.7.2.9.7. Cause all Registrable Securities registered pursuant hereunder to be listed on each securities exchange on which similar securities issued by the Company are then listed, and for the offering to be approved, if applicable, by a Financial Industry Regulatory Authority.

2-8.8.2.9.8. Provide a transfer agent and registrar for all Registrable Securities registered pursuant hereunder and a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration.

2-8.9.2.9.9. Furnish, at the request of any Holder requesting registration of Registrable Securities pursuant to this Section 2, at such Holder's expense, on the date that such Registrable Securities are delivered to the underwriters for sale in connection with a registration pursuant to this Section 2, if such securities are being sold through underwriters, or, if such securities are not being sold through underwriters, on the date that the registration statement with respect to such securities becomes effective, (i) an opinion, dated such date, of the counsel representing the Company for the purposes of such registration, in form and substance as is customarily given to underwriters in an underwritten public offering, addressed to the underwriters, if any, and to the Holders requesting registration of Registrable Securities and (ii) a letter dated such date, from the Independent Certified Public Accountants of the Company, in form and substance as is customarily given by Independent Certified Public Accountants to underwriters in an underwritten public offering, addressed to the underwriters, if any, and to the Holders requesting registration of Registrable Securities.

2-92.10 **Limitations on Subsequent Registration Rights.** From and after the date of this Agreement, the Company shall not enter into any agreement granting any holder or prospective holder of any securities of the Company registration rights with respect to such securities, without the written consent of the majority of the Preferred Shareholders unless such new registration rights are subordinated to the registration rights granted hereunder.

2-102.11 **Assignment of Registration Rights.** Any of the Holders may assign its rights to cause the Company to register Registrable Securities pursuant to this Section 2 to a transferee of all or any part of its Registrable Securities, provided that such transfer or assignment is made pursuant to the provisions of the Articles. The transferor shall, within thirty (30) days after such transfer, furnish the Company with written notice of the name and address of such transferee and the securities with respect to which such registration rights are being assigned, and the transferee's written agreement to be bound by this Agreement.

2-112.12 **Lock-Up.** In any registration of the Company's shares, all Holders agree that any sales of Registrable Securities may be subject to a "lock-up" period, restricting such sales for up to one hundred and eighty (180) days in case of IPO, and up to ninety (90) days in case of any subsequent offering, and all Holders will agree to abide by such customary "lock-up" period of up to one hundred and eighty (180) days in case of IPO, and up to ninety (90) days in case of any subsequent offering, as is required by the underwriter in such registration.

2-122.13 **Public Information.** At any time and from time to time after the earlier of the close of business on such date as: (a) a registration statement filed by the Company under the Securities Act becomes effective, (b) the Company registers a class of securities under Section 12 of the United States Securities Exchange Act of 1934, as amended, or any federal statute or code which is a successor thereto, or (c) the Company issues an offering circular meeting the requirements of Regulation A under the Securities Act, the Company shall undertake to make publicly available and available to the Preferred Shareholder pursuant to Rule 144, such information as is necessary to enable the Preferred Shareholder to make sales of Registrable Securities pursuant to that Rule. The Company shall comply with the current public information requirements of

Rule 144 and shall furnish thereafter to the Preferred Shareholder, upon request, a written statement executed by the Company as to the steps it has taken to so comply.

~~2.132.14~~ **Foreign Offerings.** The provisions of this Section 2 shall apply, *mutatis mutandis*, to any registration of the securities of the Company outside of the United States.

~~2.142.15~~ **Legends.** All certificates representing any shares of the Company shall have endorsed thereon a legend to substantially the following effect: "**THE SALE OR TRANSFER OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE IS SUBJECT TO THE TERMS AND CONDITIONS OF THE COMPANY'S ARTICLES OF ASSOCIATION, AS AMENDED FROM TIME TO TIME AND THE SHAREHOLDERS' RIGHTS AGREEMENT BY AND AMONG THE HOLDER HEREOF AND THE COMPANY. A COPY OF SUCH AGREEMENTS IS ON FILE AT THE COMPANY'S PRINCIPAL PLACE OF BUSINESS.**"

3. **Miscellaneous.**

3.1 **Further Assurances.** Each of the parties hereto shall perform such further acts and execute such further documents as may reasonably be necessary to carry out and give full effect to the provisions of this Agreement and the intentions of the parties as reflected thereby.

3.2 **Governing Law.** This Agreement shall be governed by and construed according to the laws of the State of Israel, without regard to the conflict of laws provisions thereof. Any dispute arising under or in relation to this Agreement shall be resolved in the competent court for Tel Aviv-Jaffa district, and each of the parties hereby submits irrevocably to the jurisdiction of such court.

3.3 **Successors and Assigns; Assignment.** Except as otherwise expressly limited herein, the provisions hereof shall inure to the benefit of, and be binding upon, the successors, assigns, heirs, executors, and administrators of the parties hereto. None of the rights, privileges, or obligations set forth in, arising under, or created by this Agreement may be assigned or transferred without the prior consent in writing of each party to this Agreement, with the exception of: (a) transfer to a Permitted Transferee (as such term is defined in the Articles) of such transferor (and back) one or more times, and (b) transfers of all or part of the Registrable Securities held by any Holder to a transferee pursuant to Section 2.10.

3.4 **Entire Agreement; Amendment and Waiver.** This Agreement and the Schedules hereto constitute the full and entire understanding and agreement between the parties with regard to the subject matters hereof and thereof. Any term of this Agreement may be amended and the observance of any term hereof may be waived (either prospectively or retroactively and either generally or in a particular instance), provided that, no such amendment shall have any effect, without first obtaining the affirmative vote or written consent of the Company and the majority of the Preferred Shareholders. Any amendment or waiver affected in accordance with this section shall be binding upon each party hereto and the Company. Without derogating from the above, if a shareholder of the Company who is not a party to this Agreement wishes to join this Agreement, then such shareholder shall sign this Agreement, and upon a written approval of the Company, such shareholder shall be deemed a party to this Agreement.

3.5 **Notices, etc.** All notices and other communications required or permitted hereunder to be given to a party to this Agreement shall be in writing and shall be telecopied or mailed by registered, electronic or certified mail, postage prepaid, or otherwise delivered by hand or by messenger, addressed to such party's address as set forth below or at such other address as the party shall have furnished to each other party in writing in accordance with this provision:

if to Investor:

with a copy (which shall not constitute notice) to:

Furth, Wilensky, Mizrachi, Knaani, Law Offices
One Azrieli Center, Tel-Aviv 67021, Israel,
Facsimile number: +972-3-6097797
Telephone number: +972-3-6070800
Email: Udi@fwmk-law.co.il
Attn: Udi Knaani, Adv.

if to the Company: Reporty Homeland Security Ltd.
_____, Israel
Facsimile: _____
Email: _____
Attention: _____

with a copy (which shall not constitute notice) to:

Facsimile: _____
Email: _____
Attention: _____

or such other address with respect to a party as such party shall notify each other party in writing as above provided. Any notice sent in accordance with this Section 4.5 shall be effective (i) if mailed, five (5) business days after mailing, (ii) if sent by messenger, upon delivery, and (iii) if sent via email or facsimile, upon transmission and electronic confirmation of receipt or, if transmitted and received on a non-business day, on the first business day following transmission and electronic confirmation of receipt (provided, however, that any notice of change of address shall only be valid upon receipt).

3.6 **Delays or Omissions.** No delay or omission to exercise any right, power, or remedy accruing to any party upon any breach or default under this Agreement, shall be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent, or approval of any kind or character on the part of any party of any breach or default under this Agreement, or any waiver on the part of any party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by law or otherwise afforded to any of the parties, shall be cumulative and not alternative.

3.7 **Severability.** If any provision of this Agreement is held by a court of competent jurisdiction to be unenforceable under applicable law, then such provision shall be excluded from this Agreement and the remainder of this Agreement shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms; *provided, however*, that in such event this Agreement shall be interpreted so as to give effect, to the greatest extent consistent with and permitted by applicable law, to the meaning and intention of the excluded provision as determined by such court of competent jurisdiction.

3.8 **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and enforceable against the parties actually executing such counterpart, and all of which together shall constitute one and the same instrument.

~~3.9 **Aggregation of Shares.** All Preferred Shares held or acquired by Permitted Transferees shall be aggregated together for the purpose of determining the availability of any rights~~

~~under this Agreement.~~

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF the parties have signed this Shareholders' Rights Agreement as of the date first hereinabove set forth.

THE COMPANY:

Reporty Homeland Security Ltd.

Name: _____

Title: _____

THE INVESTOR:

Name: _____

Title: _____

THE ORDINARY SHAREHOLDERS:

Amir Eliachi

Alexander Dizengoff

Yonatan Yatsun

Lital Leshem

Gal Kaminka

Ortal Sigler (H2O)

Pinchas Buchris