

## DONATION AGREEMENT

Entered into in Jerusalem as of 7/11, 2021

by and between: **The LIBI Fund**  
**The Association for Wellbeing of Israeli Soldiers**  
**(A.R) 580004307**  
60 Vaitsman ST.  
Tel-Aviv 6215511  
ISRAEL  
(the "LIBI")

of the first party;

and: **The Patrick and Lina Drahi Foundation**  
Seilerwiesenstrasse  
11 3920 Zermatt  
Switzerland  
(the "PLFA");

of the second party;

- Whereas:** PLFA is a philanthropic foundation that operates in Israel and around the world to encourage and strengthen non-profit organization by providing donation, which strengthen Israel's position in the world and assist the Jewish people, education science, innovation, and entrepreneurship, as well as encourage in the field of art; And
- Whereas:** LIBI leads the activity for the welfare of IDF soldiers and is the gateway to donate to IDF soldiers and its units; And
- Whereas:** The IDF is in the process of establishing a new "Polynom" wellbeing campus for Israeli navy in the city of Haifa, Israel, which will greatly strengthen the navy, and will further enhance the wellbeing of the soldiers of the Israeli Navy who shoulder the immense responsibility of defending Israel's seas and borders in as detailed in the plan attached to this agreement as "Annex "A"" (hereinafter: "The Campus" and/or "The Project"); And
- Whereas:** PLFA is recognizing the importance of the Campus will facilitate, it generously willing to donate to LIBI sum of US\$ 7,700,000 (seven million and seven hundred thousand US dollars) (hereinafter: "The Donation") for the purpose of financing and completion of the Campus under the terms of this agreement, and LIBI, with gratitude and appreciation to PLFA, wishes to accept the donation under their terms; And
- Whereas:** The Parties wish to set down the terms of the donation in this Agreement;

אל"מ (מיל') שרון הרמון  
מנכ"לית חקר  
אגודה למען החייל קרו לב"י  
ל.ה.

Amalia Zarka  
General Manager  
  
Patrick & Lina Drahi  
Foundation™

NOW, THEREFORE, the parties have hereby stated and agreed as follows:

1. **Preamble, Appendices and Headings**

- 1.1. The Preamble and the Appendices of this Agreement shall be deemed integral parts thereof and shall be binding like all its other conditions.
- 1.2. The headings of the agreement are for purpose of convenience alone and shall not serve for the interpretation of the agreement.
- 1.3. The reference to section numbers hereinafter shall be deemed to refer to the numbers preceding each section.

2. **LIBI Declarations and Undertakings**

LIBI hereby declares and warrants that:

- 2.1. It is a non-profit association, and it has a valid approval under section 46 of Israel income tax ordinance.
- 2.2. There is no impediment, prohibition and/or restriction by law to its entering into this agreement and fulfilling its undertakings in accordance therewith.
- 2.3. It complies with all the statutory requirements imposed on it by Israel law.
- 2.4. It has secured, via Israel Ministry of Defense, all the financial means needed for the execution of the project and for its routine operation.
- 2.5. To the best of its knowledge, the total budget for completing the entirety project is approximately NIS 49 million.
- 2.6. It has, via Israel Ministry of Defense, all means to establish the project as detailed in the plan attached as **Annex "A"** and that the Israeli navy is fully committed to populate and operate the campus as detailed in **Annex "B"**.
- 2.7. It agrees to assume full responsibility in applying at least 2,700,000 \$ of the Donation funds solely to the uses and purposes of the Project in accordance with this Agreement. If LIBI will not need the rest of the donation fund (5,000,000 \$) to the purposes of the project it will have the right to use (not more than 5,000,000 \$) to the purposes of welfare and wellbeing of IDF Navy.
- 2.8. To provide the PLFA twice a year during the construction period of the Project and upon completion of the project, a full budget detailed report.

3. **The Donation**

- 3.1. Subject to the fulfillment of LIBI's obligations under this agreement, the PLFA will transfer the donation to LIBI.
- 3.2. Since PLFA has entered into this agreement so that the project will be fully established and operated within **March 31, 2022**, therefore the donation will be transfer under the condition that LIBI, via Israel Ministry of Defense, completed the Campus and made sure that routine operation of the Campus is established.
- 3.3. The donation will be made in the amounts and dates set out below:

- 3.3.1. US\$ 350,000 (three hundred and fifty thousand US dollars) will be transferred to LIBI 30 (thirty) days after signing this agreement.

1/1 . . . . .

אל"מ (מיל') שרון הרמון  
מנכ"לית חקרן  
אגודה למען החייל קרו לב"י

Amalia Zarka  
General Manager  
Patrick & Lina Drahi  
Foundation



- 3.3.2. US\$ 350,000 (three hundred and fifty thousand US dollars) will be transferred to LIBI on January 31, 2022, provided that a confirmation that at least 75% of the project is accomplished, signed by the project Architect submitted to PLFA.
- 3.3.3. US\$ 2,500,000 (two million and five hundred thousand US dollars) will be transferred to LIBI on January 31, 2023 provided that a copy of certification of occupancy ("Tofes 4") is submitted to the PLFA LIBI fulfilled all its obligations in compliance with recognition and appreciations as detailed in section (4) below.
- 3.3.4. US\$ 2,500,000 (two million and five hundred thousand US dollars) will be transferred to LIBI on January 31, 2024 provided that the donor's representative will confirm that routine operation of the project has established as detailed in Annex "B". LIBI will coordinate with the donor's representative a full tour in the campus at least 30 days in advance.
- 3.3.5. US\$ 2,000,000 (two million US dollars) will be transferred to LIBI on January 31, 2025.
- 3.3.6. Without derogating from the above, the PLFA, in its sole discretion, may advance any of the payments listed above and will make an effort to do so without committing to anything.
- 3.4. If any of LIBI obligations, as detailed on this section (no. 3) has not been accomplished on the aforementioned dates, the payment will be deferred respectively.
- 3.5. All payments will be made on US dollars currency and LIBI will bear all the costs and commission of the relevant transfer, if required.
- 3.6. LIBI declares that the donation is excepted from Israeli VAT and if for any reason the donation will not be exempted from VAT payments, LIBI will be responsible to fund the VAT cost from its own resources.
- 3.7. All payments will be made through a bank transfer to LIBI bank account as mentioned in the account details confirmation attaches as Annex "C".

#### 4. Recognition and Appreciation

In appreciation and recognition of the donation, the LIBI agrees as follows:

- 4.1. The campus shall be named according to the donor's instruction.
- 4.2. A PLFA representative will be entitled to visit the Campus anytime at their discretion provided a written notice will be sent to LIBI 24 hours in advance.
- 4.3. LIBI will place a sign on the external wall of the building and at every entrance to the campus with the wording as detailed in Annex "D" and in manner that will be coordinated by the PLFA. LIBI will present to the donor imaging of the sign no later than 14.10.2021.
- 4.4. LIBI will produce at its expense, including advertising and PR expenses, an opening and a ribbon cutting ceremony upon opening the campus in coordination with the PLFA.
- 4.5. LIBI may recognize and express appreciation for donors should they contribute to the project and/or to activity and/or accessory as part of the project. The recognition will be conducted in the campus, in specific parts of the campus at a location and in a manner to be coordinated between LIBI and the PLFA before LIBI coordination with additional donors.
- 4.6. Any specific publication made by the LIBI, as to the Donation of the PLFA to the campus should be primarily coordinated with PLFA.

ל.ה.ר. 2021

אלי"מ (מיל') שרון הרמון  
מנכ"לית חקר  
אגודה למען החייל קרו לב"י

Amalia Zarka  
General Manager

Patrick & Lina Drahl  
Foundation

- 4.7. LIBI shall acknowledge the donation made under this Agreement in all customary and appropriate ways, including but not limited to recognition in press releases, publications, online information, and other media relating to the Project, donor lists, annual reports, and other published materials and media (together – “LIBI Publications”).
- 4.8. All LIBI Publications shall include a visible credit stating the Project is Generously Supported by the Patrick & Lina Drahi Foundation, alongside the Donor's logo.

## 5. Term and Termination

- 5.1. If a certificate of occupancy ("Tofes 4") for the project will not be received and the project will not be fully operated, for any reason, by December 1<sup>st</sup>, 2022, then PLFA shall have the right to terminate this Agreement by notice.
- 5.2. LIBI will have the right to terminate this agreement if the grant will not be paid according to section 3.3 above and PLFA did not do so within 30 days after receiving a written notice.
- 5.3. If this agreement will be terminated due to the circumstances mentioned in this section (5), LIBI will return to the PLFA any part of the donation that was given under this agreement, in US dollar currency at nominal values - within 30 days and there will be no undertakings or obligations towards PLFA after the donation is returned.
- 5.4. For the avoidance of doubt, in any case that LIBI had not return the donation to PLFA – all provisions of section 4 above shall be in effect until full restoration is made as set in subsection 5.3 above.

## 6. Miscellaneous

- 6.1. No third party may enforce or rely upon any obligation of, or the exercise of or failure to exercise any right of, the PLFA or LIBI in this Agreement. This Agreement is not intended to create any rights of a third party.
- 6.2. This Agreement shall be construed and enforced in accordance with the laws of Israel. The appropriate court in Jerusalem, Israel will have exclusive jurisdiction.
- 6.3. This Agreement may be altered, amended, changed, or modified only by agreement in writing executed and duly signed by the PLFA and LIBI.
- 6.4. Unless clearly provided otherwise in the terms of this Agreement, this Agreement shall not be assigned by either party without the prior written consent of the other party.
- 6.5. No waiver of any provision of this Agreement shall be deemed or shall constitute a waiver of any other provision. Nor shall such waiver constitute a continuing waiver unless otherwise expressly stated.
- 6.6. This Agreement may be executed in multiple counterparts, each of which shall be an original, but all of which taken together shall constitute one and the same instrument.
- 6.7. All notices required or permitted by this Agreement shall be in writing and shall be either personally delivered or sent by internationally - recognized overnight courier, facsimile, Email or by registered or certified mail, postage prepaid, addressed as set next to the party's names listed above (except that a party may from time to time give notice changing the address for this purpose).

A notice shall be effective on the date personally delivered by an internationally recognized overnight courier, on the date set forth on the receipt of an Email or facsimile, or upon the earlier of the date set forth on the receipt of registered or certified mail or on the fifteenth day after mailing.

אל"מ (מיל") שרון הרמון  
מנכ"לית חקר  
אגודה למען החייל סרון לב"י

Amalia Parks  
General Manager  
Patrick & Lina Drahi  
Foundation

In Witness Whereof the Parties Hereto Have Hereby Set Their Hand

Amalia Zarka  
General Manager  
PATRICK AND LINA DRAHI FOUNDATION  
(PLFA)

BY THOSE AUTHORIZED TO SIGN ON ITS BEHALF:

Patrick & Lina Drahi  
Foundation



אל"מ (מיל') שרון הרמון  
מנכ"לית חקר  
אגודה למען החייל קרן לב"י

THE LIBI FUND  
(LIBI)

BY THOSE AUTHORIZED TO SIGN ON ITS BEHALF:



1.1 2.2