

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

**FORM 20-F/A
(Amendment No. 1)**

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR 12(g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2013

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☐ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of event requiring this shell company report.....

For the transition period from ____ to ____

Commission File No. 000-51694

Perion Network Ltd.
(Exact Name of Registrant as specified in its charter)

N/A
(Translation of Registrant's name into English)

Israel
(Jurisdiction of incorporation or organization)

**4 HaNechoshet Street
Tel Aviv, Israel 69710**
(Address of principal executive offices)

Yacov Kaufman, CFO
Tel: +972-3-7696-109; Fax: +972-3-644-5502
4 HaNechoshet Street
Tel Aviv, Israel 69710

(Name, Telephone, E-mail and /or Facsimile Number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of Each Class
Ordinary shares, par value NIS 0.01 per share

Name of Each Exchange on which Registered
NASDAQ Global Select Market

Securities registered or to be registered pursuant to Section 12(g) of the Act.

None
(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act.

None
(Title of Class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the Annual Report.

As of December 31, 2013, the Registrant had outstanding 12,501,237 ordinary shares, par value NIS 0.01 per share.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act

Yes ☐ No ☐

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

Yes ☐ No ☐

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☐ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes ☐ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act (Check one):

Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☐

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☐ International Financial Reporting Standards as issued by the International Accounting Standards Board ☐ Other ☐

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

Item 17 ☐ Item 18 ☐

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act):

Yes ☐ No ☐

EXPLANATORY NOTE

This Amendment No. 1 on Form 20-F/A (the “Amendment”) to our annual report on Form 20-F for the fiscal year ended December 31, 2013, as filed with the Securities and Exchange Commission (the “Commission”) on April 10, 2014 (the “Form 20-F”), is being filed solely for the purpose of filing certain exhibits.

Therefore, this Amendment consists of a cover page, this explanatory note, a revised list of exhibits (Item 19 of Part III), a signature page and the Exhibits 4.8, 4.12, 4.13 and 4.14 as well as Exhibits 12.1, 12.2, 13.1 and 13.2.

This Amendment speaks as of the date of the initial filing of the Form 20-F. Other than as described above, this Amendment does not, and does not purport to, amend, update or restate any other information or disclosure included in the Form 20-F and does not, and does not purport to, reflect any events that have occurred after the date of the initial filing of the Form 20-F. As a result, our annual report on Form 20-F for the fiscal year ended December 31, 2013, as amended by this Amendment, continues to speak as of the initial filing date of the Form 20-F.

ITEM 19. EXHIBITS:

<u>No.</u>	<u>Description</u>
1.1	Memorandum of Association of Perion, as amended and restated (translated from Hebrew). (previously filed)
1.2	Articles of Association of Perion, as amended and restated. (previously filed)
4.1	Commitment Letter and Financial Covenants Letter among the Company and Bank Leumi Le-Israel, B.M., dated September 6, 2011 (1), and an amendment thereto dated May 10, 2012 (2).
4.2	Commitment Letter and Financial Covenants Letter among the Company and the First International Bank of Israel, B.M., dated September 6, 2011 (1), an amendment thereto dated April 15, 2012 (2), and an amendment thereto dated December 3, 2013 (each translated from Hebrew) (previously filed)
4.3	Share Purchase Agreement by and among Perion Network Ltd., SweetIM Ltd., SweetIM Technologies Ltd., the Shareholders of SweetIM Ltd. and Nadav Goshen as Shareholders' Agent, dated as of November 7, 2012, and Amendment No. 1, dated as of November 30, 2012. (2)
4.4	Registration Rights Agreement among the Company and the investors listed therein, dated as of November 7, 2012. (2)
4.5	Share Purchase Agreement by and among Perion Network Ltd., Conduit Ltd. and ClientConnect Ltd., dated as of September 16, 2013. (3)
4.6	Form of Standstill Agreement between Perion Network Ltd. and certain shareholders thereof, dated as of September 16, 2013. (3)
4.7	Form of Registration Rights Undertaking of the Company dated January 2, 2014. (3)
4.8	Search Services Agreement by and between Conduit Ltd. and Microsoft Online, Inc., dated November 19, 2010, as amended on May 11, 2011.*
4.9	Perion 2003 Israeli Share Option Plan and U.S. Addendum. (2)
4.10	Perion Equity Incentive Plan. (3)
4.11	Compensation Policy for Directors and Officers, adopted November 18, 2013. (3)
4.12	Split Agreement between Conduit Ltd. and ClientConnect Ltd., dated as of September 16, 2013.
4.13	Transition Services Agreement between Conduit Ltd. and ClientConnect Ltd., dated as of December 31, 2013.
4.14	Administrative Services Agreement between Conduit Ltd. and ClientConnect Ltd., dated as of December 31, 2013.
8	List of subsidiaries. (previously filed)
12.1	Certification required by Rule 13a-14(a) or Rule 15d-14(a) executed by the Chief Executive Officer of the Company.
12.2	Certification required by Rule 13a-14(a) or Rule 15d-14(a) executed by the Chief Financial Officer of the Company.
13.1	Certification required by Rule 13a-14(b) or Rule 15d-14(b) and Section 1350 of Chapter 63 of Title 18 of the United States Code.
13.2	Certification required by Rule 13a-14(b) or Rule 15d-14(b) and Section 1350 of Chapter 63 of Title 18 of the United States Code.
15.1	Consent of Kost Forer Gabbay & Kasierer, a member of Ernst & Young Global, Independent Auditors. (previously filed)
101	The following financial information from Perion Network Ltd.'s Annual Report on Form 20-F for the year ended December 31, 2013, formatted in XBRL (eXtensible Business Reporting Language): (i) Consolidated Balance Sheets at December 31, 2012 and 2013; (ii) Consolidated Statements of Income for the years ended December 31, 2011, 2012 and 2013; (iii) Consolidated Statements of Comprehensive Income for the years ended December 31, 2011, 2012 and 2013; (iv) Statements of Changes in Shareholders' Equity and Comprehensive Income for the years ended December 31, 2011, 2012 and 2013; (v) Consolidated Statements of Cash Flows for the years ended December 31, 2011, 2012 and 2013; and (vi) Notes to Consolidated Financial Statements. (previously filed)

(1) Previously filed with the SEC on March 22, 2012 as an exhibit to our annual report on Form 20-F, and incorporated herein by reference.

(2) Previously filed with the SEC on April 29, 2013 as an exhibit to our annual report on Form 20-F, and incorporated herein by reference.

(3) Previously filed with the SEC on October 15, 2013 as an exhibit to our Report on Form 6-K, and incorporated herein by reference. .

* Confidential treatment was requested with respect to certain portions of this exhibit pursuant to 17.C.F.R. §§ 230.406 and 200.83. Omitted portions were filed separately with the SEC.

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this Amendment No. 1 on its behalf.

Perion Network Ltd.

By: /s/ Josef Mandelbaum

Josef Mandelbaum
Chief Executive Officer

Date: July 29, 2014

EXHIBIT INDEX

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* Confidential treatment was requested with respect to certain portions of this exhibit pursuant to 17.C.F.R. §§ 230.406 and 200.83. Omitted portions were filed separately with the SEC.

PORTIONS OF THIS AGREEMENT WERE OMITTED AND HAVE BEEN FILED SEPARATELY WITH THE SECRETARY OF THE COMMISSION PURSUANT TO AN APPLICATION FOR CONFIDENTIAL TREATMENT UNDER RULE 24b-2 OF THE SECURITIES EXCHANGE ACT OF 1934; [*] DENOTES OMISSIONS.**

SEARCH SERVICES AGREEMENT

This Search Services Agreement (this “Agreement”) is made and entered into as of November 19, 2010 (the “Effective Date”), by and between Conduit Ltd., a company formed under the laws of Israel (“Conduit”) and Microsoft Online, Inc., a Nevada corporation (“Microsoft”), a wholly-owned subsidiary of Microsoft Corporation, a Washington corporation. Conduit and Microsoft are each a “Party” and are together referred to as the “Parties.”

RECITALS

WHEREAS, Microsoft operates search services and provides certain monetization services on behalf of itself and to companies that publish and provide Web sites and other interactive applications and services;

WHEREAS, Conduit develops, publishes and distributes Web sites, applications, software and other digital properties on behalf of itself and third-party publishers on a variety of platforms throughout the world;

WHEREAS, Conduit desires to provide Microsoft with distribution services to enable Conduit and its third-party publishers to access Microsoft’s search services and search monetization services as described herein; and

WHEREAS, Microsoft desires to provide such search services and search monetization services;

NOW, THEREFORE, in consideration of the promises, the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are expressly acknowledged, the Parties hereto, intending to be legally bound, agree as follows:

AGREEMENT

1. DEFINITIONS

1.1 “Affiliate” means, with respect to a Party, any entity that, at a given time during the Term, directly or indirectly Controls, is Controlled by or is under common Control with, such Party.

1.2 “Algorithmic Listings” means the results generated by Microsoft’s Algorithmic Search Services for a given Query.

1.3 “Algorithmic Search Services” means Internet Search services that utilize general indices of content available on the World Wide Web including vertical search functionality such as search for images, video, news, shopping and travel.

1.4 “API WL Solution” has the meaning given in Section 2.1.3(b).

1.5 “Bing” means the proprietary search engine owned and operated by Microsoft utilized on the Bing Site and any successor thereto.

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- 1.6 “Bing Site” means www.bing.com or the localized equivalent (e.g., bing.co.uk or bing.fr) and all subdomains and any successor sites that replace such sites and subdomains.
- 1.7 “Brand Features” means trade names, trademarks, service marks, logos, domain names, trade dress and other distinctive brand features, including any goodwill represented thereby.
- 1.8 “Business Day” means any day other than a Saturday or Sunday or any day on which the Federal Reserve Bank of New York is closed.
- 1.9 “Change of Control Transaction” means, with respect to a Party, (i) a sale of all or substantially all of such Party’s assets, other than to a Financial Investor, (ii) a transfer of Control of such Party to a third party that is not an Affiliate of any shareholder of such Party, other than to a Financial Investor, or (iii) a merger, consolidation, share exchange, recapitalization, restructuring or business combination involving such Party, as a result of which Control of the surviving entity is held by a third party that is not an Affiliate of any shareholder of such Party, other than by a Financial Investor.
- 1.10 “Commencement Date” means the earlier of (a) January 1, 2011 and (b) the date that Microsoft begins providing the Services to Conduit.
- 1.11 “Conduit” has the meaning given in the preamble of this Agreement.
- 1.12 “Conduit Brand Features” means the Brand Features of Conduit, its Affiliates and the Conduit Publishers.
- 1.13 “Conduit Engine” means Conduit software that powers Conduit applications, such as Conduit’s toolbar.
- 1.14 “Conduit Indemnified Party” means Conduit, any Affiliate of Conduit, any successor to all of Conduit’s rights and obligations under this Agreement permitted under Section 16.4, and any employee, officer, director, representative or agent of any of the foregoing in his, her or its capacity as such.
- 1.15 “Conduit Publisher” means a third party with whom Conduit has contracted to provide Algorithmic Search Services or Paid Search Services on or in connection with Conduit’s or such third party’s Web sites, applications, software and other digital properties.
- 1.16 “Confidential Information” has the meaning given in Section 6.1.
- 1.17 “Control” means, with respect to an entity, the beneficial ownership, directly or indirectly through or with one or more intermediaries, of equity securities or other ownership interests representing more than 50% of the voting power of such entity and the right to appoint more than 50% of the directors of such entity.
- 1.18 “Covered Amounts” means any damages, penalties, fines, fees, costs and expenses (including reasonable attorneys’ fees and costs) incurred directly and reasonably necessarily in connection with any Third Party Claim or agreed to by the Indemnifying Party in settlement of any Third Party Claim, but excluding internally allocated costs incurred by an Indemnified Party in providing cooperation to an Indemnifying Party or in participating in the defense of a Third Party Claim (provided that the Indemnifying Party has assumed the defense of such Third Party Claim).

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- 1.19 “Destination Page” means the Web page that is displayed when an End User clicks on a Result.
- 1.20 “Disclosing Party” has the meaning given in Section 6.1.
- 1.21 “Effective Date” has the meaning given in the preamble of this Agreement.
- 1.22 “End User” means an individual, human end user who visits or uses a Property or a Source (i.e., not bots, macro programs, Internet agents, crawlers or any other automated means).
- 1.23 “Event” means, with respect to an End User, any of the following (a) the End User submits a Query from any Source and (b) the End User visits or otherwise interacts with the Microsoft Network.
- 1.24 “Excess Revenue Share Payment” has the meaning given in Section 4.1.2.
- 1.25 “Financial Investor” is a financial institution, a fund or a pooled investment vehicle (e.g., a private equity fund or a hedge fund), or a person or entity whose main business is making investments in other entities engaged in multiple businesses.
- 1.26 “Governmental Authority” means any United States or non-United States federal, national, provincial, state or local government or other political subdivision thereof, any entity, authority, agency or body exercising executive, legislative, judicial, regulatory or administrative functions of any such government or political subdivision, and any super-national organization of sovereign state exercising such functions for such sovereign states.
- 1.27 “Gross Revenue” means all revenues earned from the Services from traffic generated through Sources, less an amount equal to [***] to account for such items [***].
- 1.28 “Indemnified Party” means a Microsoft Indemnified Party or a Conduit Indemnified Party entitled to defense and indemnification under Section 10.1 or 10.2, as the case may be.
- 1.29 “Indemnifying Party” means Microsoft or Conduit, whichever is obligated to provide defense and indemnification under Section 10.1 or 10.2, as the case may be.
- 1.30 “Intellectual Property Rights” means any and all rights existing from time to time under patent law, copyright law, moral rights law, trade secret law, trademark law, whether registered or unregistered, and any and all other similar proprietary rights, as well as any and all applications, renewals, extensions, divisionals, continuations, restorations and re-instatements thereof, now or hereafter in force and effect worldwide.
- 1.31 “Internet Search” means search via a search engine that utilizes a general index of content located on the World Wide Web.
- 1.32 “Laws” means any Federal, state, provincial, county, municipal or other local laws, rules, regulations, ordinances or judicial decisions enacted or issued by a court or other Governmental Authority of any country, state, province, county, city or other municipality.
- 1.33 “Microsoft” has the meaning given in the preamble of this Agreement.

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- 1.34 “Microsoft Indemnified Party” means Microsoft, any Affiliate of Microsoft, any successor to all of Microsoft’s rights and obligations under this Agreement permitted under Section 16.4, and any employee, officer, director, representative or agent of any of the foregoing in his, her or its capacity as such.
- 1.35 “Microsoft Network” means Microsoft O&O Properties and Microsoft Partner properties.
- 1.36 “Microsoft O&O Properties” means all Web sites, applications, software and other digital properties receiving or using the Services that are owned or operated by or for Microsoft or its Affiliates during the Term.
- 1.37 “Microsoft Partner” means a third party that has entered into an arrangement or agreement with Microsoft to receive Microsoft’s Paid Search Services and/or Algorithmic Search Services.
- 1.38 “Mobile Device” means (a) a mobile telephony device used for any computing, communications or other services, and (b) any other device that Microsoft and Conduit either agree in writing are Mobile Devices or both treat as mobile for purposes of rendering the user experience. Examples include, as of the Effective Date, devices such as the Samsung Focus, Apple iPhone, RIM Blackberry, Motorola Droid, the Palm Pre, and any other similar devices manufactured by other companies and, in the future, any devices that are captured by this definition.
- 1.39 *****.**
- 1.40 “Non-Infringing Alternative” has the meaning given in Section 10.4.
- 1.41 ******* means an End User who submits a Query from any Source, but no other Event has occurred with respect to such End User within the ******* (or such alternative period as may be used in connection with a mutually-agreed alternative methodology as contemplated under Section 4.1.1(a)).
- 1.42 “Other Platforms” means platforms and devices other than Personal Computers, including, but not limited to Mobile Devices and Internet Protocol Television (“IPTV”).
- 1.43 “Other Platform Payments” has the meaning given in Section 4.1.3.
- 1.44 “Other Platform Services” has the meaning given in Section 2.10.
- 1.45 “Page Click Through Rate” means the percentage of Results Pages for which the user clicks on any content on a Results Page.
- 1.46 “Paid Listing” means any advertisement for which the review, cataloguing, collection, maintenance, indexing, ranking, or display is paid, regardless of the method by which that payment is counted (whether cost for review, cost per click, cost per action, cost per impression, pay-for-placement, or otherwise).
- 1.47 “Paid Search Services” means services that deliver Paid Listings in response to Queries.
- 1.48 “Patents” means any and all existing and future patents and patent applications owned or licensable by the relevant Party, and filed or issued anywhere in the world.

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1.49 “Personal Computer” means a general purpose computer, such as a desktop, laptop, tablet or netbook, that (a) is not a Mobile Device, and (b) is primarily designed to be used by a single individual or small group of individuals at one time and to perform a multiplicity of general purpose computing functions at the direction of the user through applications. Examples include, as of the Effective Date, devices such as a Dell Inspiron, the Lenovo Thinkpad, the Apple iPad and the Toshiba Mini.

1.50 [***]

1.51 “Privacy Laws” means those Laws relating to data privacy, data protection or data retention.

1.52 “Property” or “Properties” means Conduit’s and Conduit Publishers’ current and future Web sites, applications, software and other digital properties (including Bing applications).

1.53 “Query” means a single Internet Search request that is submitted by an individual End User. As used in the prior sentence, “submission” by an End User includes manual typing in a search box (followed by a click or pressing of the enter key to submit the Internet Search request) or other affirmative act by the End User that, in relevant context, manifests a bona fide intent to submit a particular Internet Search request for information (e.g., by clicking on a search link or a related terms link). The term “submission” does not include the automatic, real-time transmission by Microsoft or Conduit of suggested search terms during manual typing in a search box occurring prior to a click or prior to any other affirmative act to submit the Internet Search request.

1.54 “Receiving Party” has the meaning given in Section 6.1.

1.55 “Results” means Paid Listings and Algorithmic Listings.

1.56 “Results Page” means Web pages on which Results are displayed in response to a Query submitted through a Source.

1.57 “Self-Serve Platform” means the platform operated by Conduit through which publishers can create customized applications for distribution on a self-serve basis.

1.58 “Services” means Microsoft’s Algorithmic Search Services and Paid Search Services.

1.59 [***] means an End User who submits a Query from any Source and another Event has occurred with respect to such End User within [***] (or such alternative period as may be used in connection with a mutually-agreed alternative methodology as contemplated under Section 4.1.1(a)).

1.60 “Source” means a search entry point as specified in Exhibit B that is enabled on or as a direct result of an End User’s interaction with a Property and that allows an End User to conduct an Internet Search.

1.61 “Tax” means any federal, state, local, or foreign income, profits, capital gains, gross receipts, franchise, net worth, sales, use, value added, goods and services, property, ad valorem, intangible, unitary, transfer, stamp, documentary, payroll, employment, estimated, excise, license, withholding, social security, alternative or add-on minimum, recapture or other taxes of any kind imposed by any Governmental Authority.

1.62 “Term” has the meaning given in Section 15.1.

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- 1.63 “Termination Override Notice” has the meaning given in Section 15.3.1.
- 1.64 “Territory” means worldwide, to the extent permitted by U.S. law.
- 1.65 “Third Party Claim” means any claim, demand, suit, action, or administrative, regulatory or other proceeding by anyone other than an Indemnified Party in connection with such matter.
- 1.66 “Tier” has the meaning given in Section 4.1.1.
- 1.67 “Transaction Tax” means any sales, use, value added, goods and services, or similar Tax.
- 1.68 “Unique Searcher” means a distinct End User who conducts [***] from any Source on a Personal Computer, as counted in accordance with Section 4.1.1.
- 1.69 “Withholding Taxes” has the meaning given in Section 4.5.2.

2. SERVICES

2.1 Scope of Services.

2.1.1 Provision of Services. During the Term and in accordance with the provisions of this Agreement, Microsoft will provide the Services in response to all Queries delivered by Conduit from all Sources in the Territory. Conduit, on behalf of itself and the Conduit Publishers, shall be entitled to access the Services through all Sources in the Territory and as otherwise agreed by the Parties, other than Sources on Properties excluded under Section 2.1.3. Except as expressly provided in this Agreement, [***].

2.1.2 Initial Migration of Existing Properties. During the portion of the Term between the Commencement Date and December 31, 2010 (if the Commencement Date is earlier than January 1, 2011), Microsoft will make the Services available to the Properties and Conduit Publishers that the Parties agree to migrate to the Services. Beginning on January 1, 2011 and continuing throughout the Term, Microsoft will make the Services available to all of the Properties and Conduit Publishers supported by Conduit as of the Commencement Date.

2.1.3 New Properties; Exclusion of Properties.

(a) New and Changed Properties. After the Commencement Date, Conduit may add new Properties (“New Properties”), new Sources as allowed under Exhibit B, and new Conduit Publishers, including those that become Conduit Publishers via the Self-Serve Platform, without prior approval from Microsoft. Conduit will use commercially reasonable efforts to prevent the use of the Services or the enablement of Sources on or in connection with New Properties (and Properties supported by Conduit as of the Commencement Date that materially change after the Commencement Date (a “Changed Property”)) that violate (for so long as they violate) Microsoft’s standard advertising editorial guidelines as applicable in the local geographic market of the applicable Conduit Publisher (the “Guidelines,” a current copy of such guidelines, as applicable in the United States, is available at <http://advertising.microsoft.com/support-center/search-advertising/editorial-guidelines>) with respect to (i) adult content; (ii) gambling activity; (iii) the promotion of illegal drugs or other illegal activity; (iv) the distribution of spyware, computer viruses, SPAM or similar harmful software or code; and (v) the distribution of products or services whose primary intent is to provide software or platforms that enable file sharing of copyrighted content or that enable the bypassing of copyright protection. “Commercially reasonable efforts” as used in the preceding sentence means that Conduit (x) provides clear notice to prospective Conduit Publishers of the foregoing Guidelines; (y) posts such policies in an easily accessible location on the Conduit.com Web site (either by incorporating the relevant Guidelines into Conduit’s publisher terms and conditions or linking directly to the Guidelines); and (z) investigates and takes reasonable action in response to violations within a reasonable time following a reported violation. Microsoft will provide reasonable cooperation to Conduit at Conduit’s request in connection with any such violations.

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(b) Notice of Suspension; White-Label Solution. Microsoft may require Conduit to suspend or cease providing Services to Sources within a Property by providing at [***] Conduit, if (i) in Microsoft's reasonable judgment, such Property violates Microsoft's guidelines with respect to subsections (i)-(v) of subsection (a) above, (ii) Microsoft would not enter into a direct relationship with such Conduit Publisher to provide Services with respect to such Property and (iii) Microsoft has not accepted advertising with respect to such Property or Conduit Publisher on the Microsoft O&O Properties. Such notice will include a detailed description of the reasons for the requested action and, upon Conduit's request, the Parties shall work together promptly and in good faith to address and attempt to resolve such issues in order to resume providing Services to the affected Property. If the Parties are unable to resolve such issues after using such good faith efforts, and unless the affected Conduit Publisher is engaged in or alleged to engage in illegal activity[***] and Microsoft will consider such request promptly [***] will be subject to all of the terms of this Agreement except with respect to Microsoft branding. Any [***] will be subject to the terms of Microsoft's standard API license terms as generally applied and such other terms as may be agreed by the Parties, including reasonable adjustments to the service levels and other obligations of Microsoft with respect to the implementation and technical delivery of the Services set forth in this Agreement. For clarity, the payment provisions of this Agreement will continue to apply with respect to any [***].

(c) Suspension. Conduit will promptly suspend or terminate the provision of Services to each Property as required by Microsoft under this Section 2.1.3; provided that the process described in this Section 2.1.3 shall be undertaken by both Parties with consideration to minimizing any potential interference with the business of any Conduit Publisher. For clarity, (i) the fact that a Property may violate any of subsections (i)-(v) of subsection (a) above shall not be deemed a breach of this Agreement and (ii) the submission of a Query by an End User from a Source or the contents of any Results does not mean that the Property is in violation of subsections (i)-(v) of subsection (a) above.

2.2 Implementation.

2.2.1 Hosting of Results Page. Unless otherwise agreed upon in writing by the Parties, Microsoft will host the Results Pages. The Parties will mutually agree on the mechanisms to deliver and correctly display the Conduit and Conduit Publisher content described in Sections 2.2.2(b) -2.2.2(d). For the avoidance of doubt, nothing in this Section 2.2 or otherwise will affect Conduit's right to engage in homepage replacement (as described in 2.7.3(a)) and to host homepages in connection therewith. If such homepage replacement includes the replacement of an End User's browser's homepage with the Bing Site homepage, Microsoft will, subject to Conduit's proper implementation of the appropriate URL tracking code, recognize such End User as a Conduit Unique Searcher and [***].

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2.2.2 Display of Results.

(a) In accordance with Section 2.3.2 (Parity), the Results served in response to a Query submitted via a Source will be displayed on the Results Page the same way in which the Results would be displayed on the Bing Site had such Query been submitted on the Bing Site including, without limitation, with respect to the placement, ordering and number of Results appearing on the Results Page and the content displayed with such Results. All Results will be displayed in the language determined in accordance with the standard processes utilized by Microsoft in connection with the Bing Site; provided that, where Conduit reasonably believes that an alternative language would better serve the applicable End User's needs, Conduit may override such determinations on a country-by-country, Source-by-Source, and/or End-User-by-End-User basis.

(b) The Results Page will include a link or other visual element (as shown in Exhibit C-1), which when clicked on, directs the user to Conduit's applications marketplace (the "Apps Link"). The Apps Link will be implemented in substantially the location shown in Exhibit C-1 unless otherwise mutually agreed by the Parties in writing.

(c) Notwithstanding Section 2.2.2(a), Conduit may include content and links to applications on the Results Page in a "Conduit Layer," as shown in Mockup 1 of Exhibit C-2 or as otherwise agreed by the Parties. The content and applications that are included in the Conduit Layer will be determined by Conduit in its sole discretion; provided, however that Microsoft may object in good faith to the association of content or applications with a particular Results Page on relevance grounds or subject to Microsoft's standard advertising acceptance policies as applied generally to the display of content on the Bing Site, in which case Microsoft may elect not to display such content or applications in the Conduit Layer (unless Microsoft accepts advertising in connection with such content or applications, in which event, Microsoft will display such content in the Conduit Layer). The Conduit Layer will be located on the Results Page so as to optimize user experience (e.g., either above or below the "image" block in the current Bing Site search results page implementation), as mutually agreed upon by the Parties. The Parties will work together to implement the Conduit Layer beginning March 1, 2011 in accordance with Mockup 1 of Exhibit C-2. If the Parties cannot agree on how to implement the Conduit Layer in accordance with Mockup 1 of Exhibit C-2 or if Microsoft is not able to implement the Conduit Layer by March 1, 2011, then, beginning on March 1, 2011, the Conduit Layer will be implemented on the right-hand side of the Results Page at the top of the page above the display of Paid Results, if any, as shown in Mockup 2 of Exhibit C-2.

(d) The Parties will use reasonable efforts to implement buttons or links to appear on the Results Page (e.g., next to relevant Results) from which users can download or be directed to applications and other Conduit or Conduit Publisher content, an example of which is shown in Exhibit C-3. The Parties will work together to develop the appropriate mechanism for implementing such buttons or links and shall test such implementation according to a mutually-agreed test plan on a Source-by-Source basis for the purposes of measuring the impact of such links on the overall [***]. If the test demonstrates a positive or neutral impact on overall [***] with respect to a Source, then Microsoft will implement such buttons or links for all Results Pages from that Source. If the test demonstrates a negative impact on overall [***] with respect to a Source, then the Parties will work together to implement changes designed to remedy such negative impact and will conduct one or more retests. If, after using commercially reasonable efforts, the Parties agree that the negative impact cannot reasonably be corrected, then Microsoft will not have an obligation to implement such buttons or links on Results Pages in connection with such Source. Nothing in this paragraph shall affect Microsoft's right to control the order and location of Results on Results Pages.

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(e) For clarity, Conduit may instruct Microsoft not to display any or all of the content described in Sections 2.2.2(b) - 2.2.2(d) with respect to one or more Conduit Publishers. The parties will work together in good faith to enable Conduit to associate keyword information for each Query (where Conduit has coverage) with content and applications for display to End Users.

(f) Commencing June 1, 2011, when desired by Conduit, Microsoft will display the content described in Sections 2.2.2(b) - 2.2.2(d) in connection with any search conducted from any Microsoft search entry point (e.g., from the Bing Site) by an End User with an installed active Conduit Engine.

2.3 General.

2.3.1 Improvements and Successive or Substitute Services. For avoidance of doubt, the Services provided by Microsoft under this Agreement will include each such service as it exists as of the Effective Date, all improvements thereto and any successor or substitute Algorithmic Search Service or Paid Search Service that is used on the Bing Site.

2.3.2 Parity. Microsoft will provide all aspects of the Services to Conduit (on behalf of Conduit and the Conduit Publishers) at parity to the Services as provided by Microsoft through the Bing Site (or, with respect to an Other Platform, the Services as implemented by Microsoft for such other Platform) with the goal of providing End Users with the same search experience. Microsoft will not do anything to circumvent such parity. Microsoft will act in good faith in providing the Services and fulfilling its obligations under this Agreement, including fulfilling the spirit of parity, throughout the Term and as the Services (and Other Platform Services, if applicable) evolve during such time. [***]. For clarity and with the exception of the Conduit content described in Sections 2.2.2(b) - 2.2.2(d), the End User experience (i.e., the entire search Results Page experience) for a Query submitted through a Source will be the same as it would be for a Query submitted by such End User on the Bing Site, including with respect to Bing branding [***].

2.3.3 Microsoft Reward Programs. Microsoft will use good faith efforts to enable End Users to obtain Bing Rewards and the benefit of other similar Microsoft programs (to the extent Microsoft makes them available other than on a test basis) from Internet Searches conducted through the Sources, subject to the generally applicable terms, technical requirements and technical feasibility of such programs.

2.4 Non-Discrimination. Microsoft will not discriminate against Conduit or Conduit Publishers as compared with how Microsoft treats other publishers, including with regard to the availability of features and functionality, quality of Results, user experience, the application of Microsoft's guidelines and policies, the provision of technical support, revenue collection, advertiser refunds and credits and pricing. Without limiting the foregoing, Microsoft and its Affiliates will not (a) discourage or provide any disincentive to advertisers from having their Results displayed on the Properties in a manner that discriminates against Conduit or Conduit Publishers [***].

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2.5 **Branding.** At Conduit's option and on a Source-by-Source basis, the footer of the Results Page may be co-branded with Conduit's and/or a Conduit Publisher's logo, examples of which are shown in Exhibit C-4. Such logos may be clickable live links to Conduit or Conduit Publisher sites. Conduit shall use reasonable efforts to ensure that the Conduit Brand Features that are displayed in the footer and the footer itself conform to the technical requirements set forth on Exhibit I, as such requirements may be modified by the mutual agreement of the Parties. For the avoidance of doubt, except as expressly provided in this Agreement, Conduit and the Conduit Publishers will have full flexibility with respect to their user experience, content and look and feel of all of the Properties, except with respect to the Results and other content provided by Microsoft. After January 1, 2011, the Parties will explore in good faith co-branding the Results Page header with Conduit's and/or a Conduit Publisher's logo as shown in Exhibit C-5 or as otherwise agreed by the Parties.

2.6 **Reporting.** The Parties will work together in good faith to implement an appropriate reporting solution that provides reporting metrics, functionality and performance at a level that meets the needs of Conduit and all Conduit Publishers. Without limiting the foregoing, Microsoft will provide Conduit with [***] reporting [***]. Microsoft will report [***] at least the following information [***]. Notwithstanding the foregoing, for the months of December 2010, Microsoft shall provide [***].

2.7 **Prohibited Actions.**

2.7.1 **Restrictions.** Unless otherwise agreed to by Microsoft, Conduit shall not, and shall not authorize, allow or permit any third-party to:

- (a) edit, modify, truncate, filter or change the order of the information contained in any Results (either individually or collectively);
- (b) frame any Destination Page;
- (c) redirect an End User away from the Destination Page, provide a version of the Destination Page different from the page an End User would access by going directly to the Destination Page, intersperse any content between a Result and the corresponding Destination Page;
- (d) display any Results in pop-up, pop-under, exit windows, expanding buttons, or animation;
- (e) except to the extent expressly permitted herein, transfer, sell, lease, syndicate, sub-syndicate, lend, or use for co-branding, timesharing, service bureau or other unauthorized purposes any Services or access thereto (including, but not limited to the Results, or any part, copy or derivative thereof);
- (f) directly or indirectly generate Queries, or impressions of or clicks on Results, through any incited, automated, deceptive, fraudulent or other invalid means for the purpose of artificially increasing the number of Unique Searchers or Gross Revenue (including, but not limited to, (A) click spam, robots, macro programs, Internet agents; (B) blind links (where End Users do not know that they will be performing a Query or clicking on a Result; (C) requiring an End User to click to receive some other benefit, obtain some other result or perform another function (such as leaving a Web page or closing a window); (D) pre-populating a Source, except that spell check, auto completion, and suggested query functionalities will not be considered a violation of this subsection; or (E) Conduit, its employees, contractors or agents submitting Queries except in the course of normal individual use);
- (g) encourage or require End Users or any other persons, either with or without their knowledge, by offering incentives or payments to enter Queries or click on Results using methods that are manipulative, deceptive, malicious or fraudulent for the purpose of artificially increasing the number of Unique Searchers or Gross Revenue (provided that neither this subsection (g) nor subsection (f) above shall be deemed to prohibit valid means of incentivizing searches such as through toolbars that provide benefits to End Users, such as toolbars that give a portion of revenue to the charity of an End User's choice);

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(h) provide End Users with the ability to submit Queries or access any Results through any client software application that is known to be harmful or malicious or that is installed without an End User's consent (such as malware, spyware, and "drive-by" downloads) or that otherwise fails to comply with applicable Laws relating to client software applications that include dynamically served third party advertisements;

(i) install any program on an End User's computer or replace an End User's home page, without the End User's prior consent;

(j) modify, adapt, translate, prepare derivative works from or decompile, reverse engineer, disassemble or otherwise attempt to derive source code from (except to the extent permitted under this Agreement or allowed by Law) the technology used to provide the Services (excluding any technology provided by Conduit); or

(k) remove, deface, obscure, or alter Microsoft's copyright notice, trademarks or other proprietary rights notices affixed to or provided or displayed as part of any Services, or any other Microsoft technology, software, materials and/or documentation.

2.7.2 Exceptions. The restrictions in Section 2.7.1 will not apply to prohibit any action or practice with respect to the Services that is engaged in by Microsoft or a Microsoft Partner.

2.7.3 User Consent.

(a) Conduit will provide a user notice and obtain user consent, either on an opt-out or opt-in basis, in compliance with applicable Laws and acceptable industry practices, before changing any user settings with respect to any of the Sources. For purposes of the foregoing sentence, certification by TRUSTe or a comparable entity ("Certification") shall constitute compliance with acceptable industry practices. If Conduit no longer maintains Certification and Microsoft believes that a given Conduit practice violates acceptable industry practices, then Microsoft may raise the issue to Conduit and the Parties work together in good faith to resolve the issue. For the avoidance of doubt, to the best of Microsoft's knowledge (including the mock-ups and policies disclosed by Conduit prior to the Effective Date), Microsoft acknowledges and agrees that Conduit's notice and consent practices in effect as of the Effective Date comply with acceptable industry practices and are acceptable means of providing such user notices and obtaining such user consent as of the Effective Date. In addition, Microsoft acknowledges and agrees that Conduit may, on either an opt-in or opt-out basis, replace the End-User's browser's homepage with a homepage determined by Conduit or a Conduit Publisher that may include a search box, search links, applications and other content or which may be the [***] (in which event, Microsoft will recognize and track traffic [***]). A Homepage replacement may include an override of default browser settings and prior user selections [***].

(b) Microsoft will provide a user notice and obtain user consent, either on an opt-out or opt-in basis, in compliance with applicable Laws and acceptable industry practices, before changing any user settings of End Users. For purposes of the foregoing sentence, Certification shall constitute compliance with acceptable industry practices. If Microsoft does not maintain Certification and Conduit believes that a given Microsoft practice violates acceptable industry practices, then Conduit may raise the issue to Microsoft and the Parties work together in good faith to resolve the issue. Microsoft may or may not implement functionality on Results Pages that enables End Users to change their default search provider settings for the Sources. If Microsoft enables such functionality, Microsoft will continue to recognize such End Users [***].

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(c) Click-Fraud Cooperation. If Microsoft detects or reasonably suspects fraudulent clicks or Queries, Conduit will cooperate with Microsoft to detect and prevent such fraudulent clicks or Queries in a manner that is consistent with the Parties' privacy policies and all applicable Laws.

2.8 Traffic Assignment. Each Party will take all reasonable actions and provide all reasonable assistance to the other Party (including the execution, acknowledgment, delivery and assistance in preparation of documents) as may be requested by the other Party to ensure that (a) Microsoft obtains credit for Queries from the Sources and (b) Conduit receives credit [***]. Such reasonable actions may include, by way of example and without limitation, (x) Microsoft hosting the Results Pages at conduit.bing.com; (y) redirecting Queries from the Source to bing.conduit.com prior to transmission to Microsoft and (z) Conduit hosting a Web page once per month per End User.

2.9 Service Levels. Microsoft will provide the Services to Conduit with levels of performance (e.g., availability, response times and capacity) and remedies, which shall be at least the same levels of performance and remedies as the Services are provided through the Bing Site. Without limiting the foregoing, Microsoft will comply with the Service Level and Support Agreements (the "SLA") attached as Exhibit A with respect to the Properties in each country.

2.10 Other Platforms. Conduit shall have the right to implement all then-available versions of the Services designed for Other Platforms ("Other Platform Services"). If Microsoft does not have a version of the Services designed for an Other Platform with respect to which Conduit desires to receive Services, but a then-available version of a Service may be readily adapted to such Other Platform (e.g., by making reasonable format changes to Results from such available Services), then the Parties will work together to make such adaptations and Conduit may implement the Services on such Other Platform. If then-available Services may not be readily adapted to such Other Platform, the Parties will study the feasibility, effort and timing of providing Services for such Other Platform for a period of 60 days from Conduit's request to receive such Services. If the Parties do not mutually agree to include the Services for such Other Platform, Microsoft will have no further obligation with respect to such requested Other Platform Services. If the Parties agree to include the Services for such Other Platform, Microsoft will work with Conduit to provide the requested Other Platform Services in the agreed manner and timeframe, and, when made available, Conduit will use the Other Platform Services consistent with the terms and conditions of this Agreement as such terms and conditions may need to be modified in light of the nature of the particular platform or differing business models; provided that (a) the Parties will act reasonably and work together in good faith to agree on any such modifications (for example, the provision of the Conduit Layer may not apply to implementations on Other Platforms) and (b) any such modifications will be consistent with the spirit and intent of this Agreement and preserve the Parties' relative shares of the ongoing economic benefits of this Agreement. Unless the Parties otherwise agree in writing, this Section shall not be construed to require Microsoft to provide Conduit with any software code (for example, apps) other than software (such as APIs or other code to enable the Services) that Microsoft makes generally available to other Microsoft Partners in connection with the Services.

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3. EXCLUSIVITY; PREFERRED PROVIDER

3.1 Search Services [***]. Except as otherwise provided for in this Agreement, commencing on January 1, 2011 and continuing throughout the Term, Microsoft will be the [***] provider of Algorithmic Search Services and Paid Search Services for Sources that Conduit enables on Personal Computers and for Other Platforms. Conduit will not do anything to circumvent such exclusivity. For clarity, the foregoing exclusivity does not apply to Conduit Publishers, Properties or Conduit marketplace applications created by third parties. In addition, [***] in this Section 3.1 does not apply to:

(a) Other Platforms that are not receiving Services as provided in Section 2.10 (provided that if Conduit receives services from another provider with respect to an Other Platform and Microsoft later provides support for such Other Platform, Conduit will use Microsoft's Services following expiration of Conduit's agreement with such other provider);

(b) instances where, independently of any suggestion or influence by Conduit, the Conduit Publisher does not desire or is not legally able to receive search services from Conduit or requires Conduit to use another provider; and

(c) instances when Microsoft provides notice that it will not support a Conduit Publisher even through a White-Label Solution as described in Section 2.1.3.

3.2 [***]. During the Term, Conduit will [***].

4. COMPENSATION AND PAYMENT

4.1 Payments

4.1.1 [***]. Until such time as the Parties mutually agree upon a more accurate methodology for counting [***], For example, if there are [***]. Examples of the identification of [***] and the reporting of the same are set forth in [***]. Microsoft will implement and maintain throughout the Term all technologies necessary to accurately count, track and report on all Events.

(a) [***]. The Parties agree that the [***] used to count [***] under this Section 4.1.1 is a reasonable and fair number derived from the Parties' [***]. This methodology was obtained using [***]. Provided that the Parties can agree on a public, third-party measurement that adequately and fairly accounts for [***] shall be updated [***]. For example, if the Parties agree that an updated [***] is reasonable and fair, the same methodology used to derive the [***] be employed [***]. The Parties shall act reasonably and in good faith in [***]. If the parties are unable to agree on a measurement in accordance with this subsection (a), [***][***]. The Parties acknowledge that it is their mutual goal to employ a methodology for determining [***] that is as accurate as reasonably possible. Accordingly, the Parties will periodically discuss the methods used to [***], and may, upon mutual agreement, modify the methodology to reflect improvements in technology or better understanding [***].

4.1.2 [***]. In addition to the above [***], for [***] during the Term, if the [***] from the Services on the Properties on Personal Computers [***] during a [***], Microsoft shall pay to Conduit [***] (each such payment, an [***]).

4.1.3 [***]. Notwithstanding the above, for [***] during the Term, Microsoft shall pay to Conduit [***].

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4.1.4 [***], then, beginning on the later of [***] and continuing through the remainder of the Term, Microsoft shall pay Conduit, on [***]. For clarity, the [***] specified in Sections 4.1.1 and 4.1.2 and the payments specified in Section 4.1.3 [***].

4.2 Method and Timing of Payment.

4.2.1 Monthly Reports. Microsoft will provide Conduit in a timely manner (no later than [***] days following the end of each calendar month) with a monthly report containing such information as is reasonably necessary for Conduit to prepare invoices for amounts payable to Conduit pursuant to Section 4.1, including at a minimum, [***] information described in Exhibit I for activity in the immediately preceding month and reasonable detail regarding any allowed adjustments made to revenues received from the Services to arrive at [***]. All information contained in Microsoft's reports under this Section 4.2.1 shall be deemed Confidential Information (as defined in the NDA) of each Party and will be used and disclosed by the Parties only as expressly provided in this Agreement.

4.2.2 Invoices and Payments. Within [***] of receipt of the monthly report described in Section 4.2.1, Conduit will submit a monthly invoice to Microsoft for the amounts payable under such monthly reports. Microsoft will pay the properly payable amounts reflected in each invoice [***] of the end of the applicable calendar month. [***]. Microsoft will make all payments to Conduit in U.S. Dollars by wire transfer in accordance with the instructions set forth in Exhibit H or otherwise as instructed by Conduit in writing. All currency conversions made under this Agreement will be made using the applicable average daily exchange rate for the applicable period as published by OANDA or such other internationally recognized source as may be agreed by the Parties in writing.

4.3 Disputed Amounts. Delivery or payment of an invoice without asserting a dispute is not a waiver of any claim or right by either Party to dispute such amount.

4.4 Late Payments. Late payments shall incur interest at the lesser of the one year London Interbank Offered Rate (LIBOR) plus one percent per annum and the highest interest rate permitted by Law.

4.5 Taxes.

4.5.1 Payment. All payments under this Agreement are exclusive of Taxes imposed by any Governmental Authority and the Parties shall not be liable for any of the Taxes of the other party that the other Party is legally obligated to pay and which are incurred or arise in connection with or related to the payments made under this Agreement, and all such Taxes shall be the financial responsibility of the Party who is obligated by operation of law to pay such tax. More specifically, Microsoft shall be responsible for the payment of all Taxes arising in connection with the Services, including all Transaction Taxes and Withholding Taxes. Additionally, Microsoft shall pay to Conduit any Transaction Taxes that are required to be collected from Microsoft by Conduit under applicable law. Conduit shall be responsible for the payment of all Taxes arising in connection with any payment received from Microsoft pursuant to this Agreement as well as any Taxes on any payments made by Conduit to any Conduit Publisher.

4.5.2 Withholding Taxes. If taxes are required by Law to be withheld on any amounts to be paid by Microsoft to Conduit ("Withholding Taxes"), Microsoft will deduct them from the amount otherwise owed and pay them to the appropriate taxing authority. Microsoft shall secure and deliver to Conduit an official receipt for any Withholding Taxes withheld. Microsoft shall use reasonable efforts to minimize Withholding Taxes to the extent permissible under applicable Law.

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4.5.3 Cooperation on Tax Matters. Microsoft and Conduit will reasonably cooperate with each other to mitigate, reduce or eliminate any Withholding Taxes

arising in connection with this Agreement, including by using commercially reasonable efforts to obtain any certificate or other document from any Governmental Authority or any other person as may be necessary to mitigate, reduce or eliminate any such Taxes. If Microsoft intends to withhold any Withholding Taxes, Microsoft will provide prior written notice to Conduit describing the rationale for such determination. Such notice shall be provided to Conduit promptly following Microsoft's determination to withhold and sufficiently in advance of any actual withholding (no less than 14 days) to provide Conduit a reasonable time to contest such determination. Conduit shall have the right, upon notice to Microsoft, to direct payment under this Agreement to one or more Conduit Affiliates in order to minimize any Taxes, including Withholding Taxes.

4.6 Audit. During the Term and for a period of [***], through an independent certified public accounting firm selected [***] requesting the audit (and compensated other than on a contingency fee basis), may, upon not less than 30 days' prior written notice, conduct an audit of [***] relevant financial books and records (including electronic records), solely to the extent relevant to the determination and calculation of amounts payable [***] under this Agreement (including the tracking of Unique Searchers), for the purpose of confirming [***] will reasonably comply with the auditors' requests to facilitate the audit. [***] shall pay the costs and expenses of any such audit. [***] due date of the report subject to audit to the date of payment in full. If the amount of any overpayment or underpayment in the auditing Party's favor exceeds [***], the audited Party shall also reimburse the auditing Party for the out-of-pocket costs and expenses of such audit. Unless otherwise agreed by Microsoft and Conduit, any such audit shall be conducted during regular business hours, at the other Party's principal place of business, [***]. All information made available by a Party under this Section 4.4 shall be deemed Confidential Information of each Party and will be used and disclosed by the Parties only as expressly provided in this Agreement.

4.7 Expenses. Except for the payments specified in this Section 4 and unless otherwise agreed by the Parties in writing, each Party shall be responsible for its own costs and expenses in connection with the delivery and receipt of Services under this Agreement and neither Party shall be responsible for any other charges or fees in connection therewith.

5. LICENSES; INTELLECTUAL PROPERTY

5.1 Ownership.

5.1.1 Microsoft Rights. Microsoft grants to Conduit and the Conduit Publishers a limited, nonexclusive [***] license during the Term, under all of its Intellectual Property Rights, to access, use and display the Services in the Territory solely to the extent permitted hereunder. The foregoing license is intended to permit Conduit to implement any code necessary to enable the Sources or Results Pages (e.g., implementing search suggest functionality or hosting Results Pages [***]). Except to the limited extent expressly provided in this Agreement, Microsoft does not grant, and Conduit and the Conduit Publishers shall not acquire, any right, title or interest (including, without limitation, any implied license) in or to any Microsoft Intellectual Property Rights; and all rights not expressly granted herein are reserved to Microsoft. Except as expressly set forth in Section 5.2.2 of this Agreement, Microsoft reserves all right, title and interest in and to all of Microsoft's Intellectual Property Rights.

5.1.2 Conduit Rights. Except as expressly set forth in Sections 5.2.3 and 5.3 of this Agreement, Conduit, the Conduit Publishers, and each of their respective licensors and other applicable third-party providers reserve all of their Intellectual Property Rights in and to the Properties and the content therein. Microsoft shall not acquire, any right, title or interest (including, without limitation, any implied license) in or to any Conduit Intellectual Property Rights. Conduit reserves all right, title and interest in and to all of Conduit's Intellectual Property Rights.

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5.2 Brand Features.

5.2.1 Brand Features. Each Party shall own all right, title and interest, including without limitation all Intellectual Property Rights, in and to its own Brand Features. Except to the limited extent expressly provided in this Agreement, neither Party grants, and the other Party shall not acquire, any right, title or interest (including, without limitation, any implied license) in or to any Brand Features of the first Party; and all rights not expressly granted herein are deemed withheld. All use by Conduit of Microsoft Brand Features under this Agreement (including any goodwill associated therewith) shall inure to the benefit of Microsoft. All use by Microsoft of Conduit Brand Features under this Agreement (including any goodwill associated therewith) shall inure to the benefit of their respective owners.

5.2.2 License to Microsoft Brand Features. Subject to the terms and conditions of this Agreement, Microsoft grants to Conduit a limited, nonexclusive and non-sublicensable (except as provided herein) license during the Term to display those Microsoft Brand Features expressly authorized by Microsoft, which will include the “Microsoft” and “bing” word marks and logos, examples of which are set forth in Exhibit E, and such other Brand Features as Microsoft may authorize during the Term, solely to promote the availability of the Services on all Properties (e.g., using “powered by Microsoft” on Conduit’s Web site or toolbar) and Sources (e.g., including the bing logo in a search box), other than Sources on Properties excluded under Section 2.1.3. In its use of any Microsoft Brand Feature, Conduit agrees to adhere to Microsoft’s standard, generally applicable brand treatment guidelines for use of Microsoft’s Brand Features as such guidelines may be updated in writing by Microsoft from time to time (in which event, Conduit shall have a reasonable time to comply with such updated guidelines following notice thereof). The current version of such guidelines as of the Effective Date are attached hereto as Exhibit F.

5.2.3 License to Conduit Brand Features. Subject to the terms and conditions of this Agreement, Conduit grants to Microsoft a limited, nonexclusive and non-sublicensable license during the Term to display those Conduit Brand Features expressly authorized by Conduit on the Results Pages and in connection with the promotion of the availability of the Services. In its use of any Conduit Brand Feature, Microsoft agrees to adhere to Conduit’s brand treatment guidelines for use of Conduit’s Brand Features, as such guidelines may be provided by Conduit to Microsoft from time to time.

5.3 License to Conduit Layer. Conduit grants to Microsoft a limited, nonexclusive and non-sublicensable license in the Territory to display the content and applications included by Conduit in the Conduit Layer to End Users during the Term.

5.4 No Implied Licenses. Nothing in this Agreement or the performance thereof, or that might otherwise be implied by Law, will operate to grant a Party any right, title or interest, implied or otherwise, in or to the Intellectual Property Rights of the other Party hereto, other than the rights and licenses expressly granted in this Agreement. Nothing in this Agreement will operate to prohibit either Party from licensing its Intellectual Property Rights or technology to any third party. Each Party expressly reserves all Intellectual Property Rights not expressly granted hereunder.

5.5 No Joint Ownership. Neither Party acquires nor will acquire any right to joint ownership of any Intellectual Property Rights by virtue of this Agreement.

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6. CONFIDENTIALITY

6.1 Confidentiality. Each Party (together with each Affiliate receiving Confidential Information, a “Receiving Party”) understands that the other Party (together with each Affiliate disclosing Confidential Information, a “Disclosing Party”) may disclose to the Receiving Party, or the Receiving Party may otherwise acquire or have access to in the course of its performance under this Agreement, information and materials of a confidential nature including, without limitation, product information, data, pricing, business plans and strategies, employee lists, sales prospect lists, advertiser and partner information, contractual agreements, financial information, End User information, software, specifications, research and development and proprietary algorithms or other information and materials that are (a) clearly and conspicuously marked as “confidential” or with a similar designation; (b) identified by the Disclosing Party as confidential and/or proprietary before, during, or promptly after presentation or communication; or (c) disclosed to (or otherwise acquired by) Receiving Party in a manner in which the Disclosing Party reasonably communicated, or the Receiving Party should reasonably have understood under the circumstances or from the nature of the information or data disclosed, that the information or materials should be treated as confidential, whether or not the specific designation “confidential” or any similar designation is used (“Confidential Information”).

6.2 Disclosure and Use. Except as provided in Section 6.3 or with the prior written consent of the Disclosing Party, the Receiving Party will not (a) disclose any Confidential Information of the Disclosing Party other than on a need-to-know basis to its and its Affiliates’ officers, directors, employees, consultants, contractors, attorneys, accountants, investors, lenders, financial advisors, and potential acquirers (collectively, “Individual Recipients”), who have signed a non-disclosure agreement or are otherwise subject to confidentiality obligations that are no less stringent with respect to the Disclosing Party’s Confidential Information than the terms set forth in this Section 6.2; (b) use Confidential Information, except as permitted under this Agreement or for fulfilling the obligations or exercising the rights of the Receiving Party under this Agreement; (c) make internal business copies or allow others to make copies of such Confidential Information, except as permitted under this Agreement or for fulfilling the obligations or exercising the rights of the Receiving Party under this Agreement; or (d) remove or export any such Confidential Information from the country of the Receiving Party in violation of Laws. Nothing in this Section 6.2 or the rest of the Agreement shall prevent a Party from using Confidential Information as is necessary to support or defend a Dispute within the meaning of Section 11 (Dispute Resolution; Arbitration). The Receiving Party shall treat the Confidential Information of the Disclosing Party, and will cause its Individual Recipients to treat such Confidential Information in accordance with this Section 6 and with at least the same degree of care and protection as it would use with respect to its own Confidential Information of a similar nature, but in no event less than a reasonable standard of care. The foregoing obligations shall survive for a period of three years following the termination or expiration of this Agreement.

6.3 Exceptions; Required Disclosures. Except as provided in Section 12, nothing in this Section 6 prohibits or limits either Party’s use or disclosure of information (a) previously known to it without obligation of confidence, (b) independently developed by or for it without use of or access to the other Party’s Confidential Information, (c) acquired by it from a third-party which is not under an obligation of confidence to the other Party or its Affiliates with respect to such information, or (d) which is or becomes publicly known and generally available to the public through no breach of this Agreement. A Receiving Party may make a disclosure of Confidential Information (i) if required either by Law or legal process (as a result of legal compulsion or in order to advance a defense to a claim), (ii) in response to a request by a governmental or regulatory agency, including but not limited to, a national stock market or exchange, or the Securities and Exchange Commission or other regulatory agency, or (iii) in connection with a proceeding before a court, adversary proceeding, administrative proceeding, governmental or regulatory proceeding, including but not limited to, the rules and regulations of a national stock market or exchange, or the Securities and Exchange Commission or other regulatory agency (e.g., in the event of an initial public offering involving Conduit) if, in each case, the Receiving Party only discloses that portion of the Confidential Information reasonably required to be disclosed (on advice of Receiving Party’s counsel); and unless prohibited by Law, the Receiving Party provides reasonable written notice to the Disclosing Party in advance of the disclosure so that the Disclosing Party may (x) seek confidential treatment for the Confidential Information, a protective order or other appropriate remedy, relief or reliable assurances that confidential treatment will be afforded the information so disclosed (in which event, the Receiving Party will cooperate with the Disclosing Party to obtain such confidential treatment, orders or other remedy, relief or assurances); or (y) consent in writing to having the Confidential Information so produced or so disclosed (which consent will extend solely to the disclosure and production in question). Disclosure under this Section 6, including any authorized disclosure by the Disclosing Party, does not relieve the Receiving Party of its obligations of confidentiality generally under this Agreement. In no event will the Receiving Party or its Individual Recipients oppose an action by the Disclosing Party to obtain a protective order or other relief requiring that Confidential Information to be disclosed shall be treated confidentially in connection with a third-party claim, action or proceeding. If the Receiving Party or its Individual Recipients, as the case may be, has complied fully with the provisions of this Section 6.3, such disclosure may be made by the Receiving Party or its Individual Recipients, as the case may be, without any liability to the Disclosing Party hereunder.

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6.4 **Confidentiality of Agreement.** Each Party agrees that the terms and conditions of this Agreement shall be deemed Confidential Information of the other Party and will be disclosed only as set forth in this Section 6 or as otherwise provided in Section 14 (Public Relations and Communications).

6.5 **Feedback.** Any Feedback is given entirely voluntarily, and the recipient of Feedback is free to use, disclose, reproduce, license or otherwise distribute, and exploit Feedback provided to it as it sees fit, without obligation or restriction of any kind to the other Party. As used in this Agreement, “Feedback” means a Party’s suggestions, comments, or other input specifically about the products and services of the Party receiving the feedback.

7. REPRESENTATIONS, WARRANTIES AND COVENANTS

7.1 **Mutual.** Each of the Parties hereto represents, warrants and covenants to the other as of the Effective Date that (a) it is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation; (b) it has the corporate power and authority to enter into this Agreement and the transactions contemplated hereby, the execution, delivery and performance of this Agreement and the transactions contemplated hereby, have been duly authorized by all necessary corporate action by such Party; and (c) the execution, delivery and performance of this Agreement by such Party or its Affiliates does not (i) violate any provision of its articles of incorporation, bylaws or other organizational documents or (ii) induce, cause, constitute or result in any violation, breach or impairment of, any default under or any conflict or interference with any agreement, contract, license, promise, commitment, arrangement, option or undertaking, whether written or oral, of a Party or any of its Affiliates. Each of the Parties hereto further covenants to the other that in providing and implementing the Services or performing its obligations hereunder, it will comply with all applicable Laws, including, but not limited to all applicable Privacy Laws and the Laws of the United States regulating the export of software, technology, services, information and hardware covered under this Agreement.

7.2 **By Microsoft.** Microsoft represents and warrants that (a) it is a wholly-owned subsidiary of Microsoft Corporation and (b) that it has sufficient assets and financial resources to perform its obligations under this Agreement, including providing the Services in the Territory and payment obligations, during the Term.

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8. DISCLAIMER

EXCEPT FOR THE EXPRESS REPRESENTATIONS AND WARRANTIES MADE BY THE PARTIES IN THIS AGREEMENT AND TO THE MAXIMUM EXTENT PERMITTED BY LAW, NO PARTY HERETO MAKES ANY OTHER REPRESENTATIONS OR WARRANTIES. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT AND TO THE MAXIMUM EXTENT PERMITTED BY LAW, EACH PARTY EXPRESSLY DISCLAIMS ANY AND ALL OTHER REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, OR NONINFRINGEMENT OR ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE.

9. LIMITATION OF LIABILITY

9.1 **NO CONSEQUENTIAL DAMAGES.** SUBJECT TO SECTION 9.3 (EXCEPTIONS FROM EXCLUSIONS AND LIMITATIONS), TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES (INCLUDING FOR THE INDIRECT LOSS OF PROFIT OR REVENUE) ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, HOWEVER CAUSED, AND UNDER WHATEVER CAUSE OF ACTION OR THEORY OF LIABILITY BROUGHT (INCLUDING UNDER ANY CONTRACT, NEGLIGENCE OR OTHER TORT THEORY OF LIABILITY), EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

9.2 **LIABILITY CAP.** SUBJECT TO SECTION 9.3 (EXCEPTIONS FROM EXCLUSIONS AND LIMITATIONS), IN NO EVENT SHALL EITHER PARTY'S LIABILITY FOR ANY CLAIM ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT (WHEN AGGREGATED WITH SUCH PARTY'S LIABILITY FOR ALL OTHER CLAIMS ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT BUT EXCLUDING AMOUNTS PAID IN CONNECTION WITH ITEMS SPECIFIED IN SECTION 9.3 (EXCEPTIONS FROM EXCLUSIONS AND LIMITATIONS)) EXCEED THE GREATER OF (A) [***] AND (B) [***] MONTH PERIOD IMMEDIATELY PRIOR TO THE INCIDENT FIRST GIVING RISE TO THE LIABILITY.

9.3 **Exceptions from Exclusions and Limitations.** Nothing in this Agreement shall exclude or limit either Party's liability for: (a) breaches of Section 6 (Confidentiality); (b) amounts owed under Section 4 (Compensation and Payment); (c) infringement or misappropriation of the other Party's Intellectual Property Rights; (d) a breach of a Party's indemnification obligations under Section 10 (Indemnification) or any amounts paid or payable in connection with such obligations; (e) breach of the exclusivity provisions set forth in Section 3.1; or (f) gross negligence, intentional misconduct or abandonment of this Agreement.

9.4 **Allocation of Risk.** The Parties agree that (a) the mutual agreements made in this Section 9 (Limitation of Liability) reflect a reasonable allocation of risk, and (b) that each Party would not enter into the Agreement without these exclusions and limitations on liability and the exceptions set forth above.

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10. INDEMNIFICATION

10.1 **Microsoft Indemnity of Conduit.** Microsoft will defend at Microsoft's cost (with legal counsel selected by Microsoft and approved by Conduit, which approval will not be unreasonably withheld) the Conduit Indemnified Parties from and against any Third Party Claim and indemnify the Conduit Indemnified Parties from any Covered Amounts resulting from such Third Party Claim, to the extent that the Third Party Claim is based upon:

10.1.1 an allegation that any Service, Other Platform Service or any portion or element of any of the foregoing or the underlying technology or business methods used by Microsoft in providing any of the foregoing (a) infringes, misappropriates or otherwise violates any third-party Intellectual Property Rights or violates any Law; (b) breaches any third-party rights of publicity or privacy, or (c) is false, deceptive, misleading, defamatory or libelous;

10.1.2 an allegation that any Result provided by Microsoft in the performance of Services or Other Platform Services under this Agreement (a) infringes, misappropriates or otherwise violates any third-party Intellectual Property Rights or violates any Law, (b) breaches any third-party rights of publicity or privacy, or (c) is false, deceptive, misleading, defamatory or libelous;

10.1.3 any breach (or any allegation that, if true, would constitute a breach) by Microsoft of any of its representations, warranties or covenants under Section 7;

10.1.4 any breach (or any allegation that, if true, would constitute a breach) by Microsoft of any agreement between Microsoft and any third-party, including any advertiser or any third-party publisher in the Microsoft Network, except to the extent such breach was caused by a breach of this Agreement by Conduit or any of its Affiliates or Conduit Publishers; or

10.1.5 any allegation that a Microsoft Brand Feature infringes any third-party trademark, service mark, domain name or trade dress rights or any copyrights.

10.2 **Conduit Indemnity of Microsoft.** Conduit will defend at Conduit's cost (with legal counsel selected by Conduit and approved by Microsoft, which approval will not be unreasonably withheld) the Microsoft Indemnified Parties from and against any Third Party Claim and indemnify each of the Microsoft Indemnified Parties from any Covered Amounts resulting from such Third Party Claim, to the extent that the Third Party Claim is based upon:

10.2.1 an allegation that the Conduit Engine, Conduit's applications marketplace, Conduit Layer (including any content, links or other materials therein) or any content (other than Results or other content provided by or for Microsoft) displayed on Web pages within the Properties on which Results are also displayed (a) infringes, misappropriates or otherwise violates any third-party Intellectual Property Rights or violates any Law, (b) breaches any third-party rights of publicity or privacy, or (c) is false, deceptive, misleading, defamatory or libelous;

10.2.2 any breach (or any allegation that, if true, would constitute a breach) by Conduit of any of its representations, warranties or covenants under Section 7;

10.2.3 any breach (or any allegation which, if true, would constitute a breach) by Conduit of any agreement between Conduit and any third party, including any advertiser, End User or any Conduit Publisher, except to the extent such breach was caused by any breach of this Agreement by Microsoft or its Affiliates;

10.2.4 any action or inaction that would constitute a breach of Section 2.7.1(f), 2.7.1(g), 2.7.1(h), or 2.7.1(i); or

10.2.5 any allegation that a Conduit Brand Feature infringes any third-party trademark, service mark, domain name or trade dress rights or any copyrights.

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10.3 **Procedure.** The Indemnified Party will promptly notify the Indemnifying Party in writing, of any Third Party Claim for which defense and indemnification is sought, provided that the failure to promptly notify the Indemnifying Party will relieve the Indemnifying Party of its obligations hereunder only to the extent that the Indemnifying Party is prejudiced by such failure. The Indemnified Party will allow the Indemnifying Party or its authorized representative, at the Indemnifying Party's cost and expense to control the defense and settlement of the claim. The Indemnified Party will be entitled to participate reasonably in the defense and settlement of the claim with counsel of its choice at its own expense, and will reasonably cooperate with the Indemnifying Party with respect to such defense and settlement. The Indemnifying Party will not settle any claim without the written consent of the Indemnified Party (which consent will not be unreasonably withheld or delayed).

10.4 **Right to Ameliorate Damages.** If an Indemnified Party seeks indemnity under this Agreement for a claim for infringement of Intellectual Property Rights, the Indemnifying Party may, in its sole discretion and at its sole expense and without limiting any of its obligations under Section 10.1 or 10.2, as the case may be: (a) obtain the right for the Indemnified Party to continue to use the allegedly infringing service, technology, content or material; or (b) provide a non-infringing substitute with at least the same features, functions and performance as the allegedly infringing service, technology, content or material (a "Non-Infringing Alternative"), in which case the Indemnified Party will use commercially reasonable efforts to implement promptly such Non-Infringing Alternative, provided that the Indemnifying Party agrees to reimburse the Indemnified Party for any out-of-pocket expenses reasonably incurred to implement the Non-Infringing Alternative.

10.5 **Limitations on Indemnity Obligations.** Notwithstanding anything to the contrary, neither Party will have any obligation to provide any defense or indemnification under this Agreement with respect to any Third Party Claim to the extent arising from any use of the Indemnifying Party's services, technology, content or material in a manner that is prohibited by this Agreement. In addition, notwithstanding anything to the contrary, neither Party will have any obligation to provide any defense or indemnification under this Agreement with respect to any claim of infringement, misappropriation or other violation of third-party Intellectual Property Rights to the extent arising from (a) the combination or use of the Indemnifying Party's services, technology, content or material with any other services, technology, content or material that were neither (i) provided or specified by the Indemnifying Party or its Affiliates; nor (ii) specifically designed or reasonably required for use as contemplated by this Agreement, if, in the absence of such combination, the infringement, misappropriation or violation would not have occurred; (b) modification of the Indemnifying Party's services, technology, content or material by the other Party, any of its Indemnified Parties or any customer of any of the foregoing, where, in the absence of such modification, the infringement, misappropriation or violation would not have occurred; or (c) use of any services, technology, content or material after the date by which the Indemnified Party reasonably could have implemented a Non-Infringing Alternative pursuant to Section 10.4.

11. INSURANCE

Throughout the Term and for two (2) years thereafter, Conduit will maintain from an internationally reputable insurance carrier (e.g., Lloyds of London) (a) Errors and Omissions insurance coverage with an aggregate limit of [***] and Directors and Officers insurance coverage with an aggregate limit of [***].

12. DISPUTE RESOLUTION; ARBITRATION

12.1 **Dispute Resolution.** Except with respect to a Party's request for equitable or provisional relief or to otherwise protect its Intellectual Property Rights or Confidential Information provided under this Agreement, no civil action, proceeding as set forth below with respect to any dispute, controversy or claim arising out of, or relating to, or in connection with, this Agreement, or the breach, termination, or validity hereof, including the validity of this dispute resolution provision (each of which dispute, controversy, or claim will be termed a "Dispute") between the Parties may be commenced, nor may a Party terminate any portion of this Agreement for a material breach of a material warranty, representation, covenant or obligation of this Agreement, until the Parties have first attempted in good faith to resolve the Dispute amicably in accordance with this Section 12.1.

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12.1.1 Notice of Dispute. In the event of a Dispute, the Party raising the Dispute shall give written notice to the other Party setting forth the details of the Dispute and any proposed solution or compromise. The Parties shall cooperate in good faith to resolve the Dispute within 30 days of receipt of the notice of Dispute.

12.1.2 Escalation. In the event that the Parties are unable to resolve the Dispute within 30 days, the Parties shall escalate the Dispute by referring the details of the Dispute, the status of the negotiations and any proposed compromise in writing to the Parties' respective designated executive with decision-making authority. The Parties' designated executives shall have 30 days from receipt of notice of the Dispute or such longer period as the Parties may mutually agree to in writing, to resolve the Dispute in good faith. If the Parties' designated executives are unable to resolve the Dispute, the Dispute will be escalated to an officer of each Party, who shall have ten days, or such longer period as the Parties may mutually agree to in writing, to attempt to resolve the Dispute in good faith.

12.2 Arbitration. If the Parties cannot resolve a Dispute pursuant to Section 12.1 above, any and all Disputes (including, but not limited to, the validity of this agreement to arbitrate) will be settled exclusively by final and binding arbitration joining all of the claims asserted by or against the Parties in connection with such Dispute or claim. The arbitration will be conducted in San Francisco, California and shall be administered by JAMS in accordance with its Comprehensive Arbitration Rules and Procedures then in effect except as limited or expanded by this Agreement. This clause shall not preclude Parties from seeking provisional remedies in aid of arbitration (e.g., to compel arbitration) or from seeking equitable or provisional relief from a court of competent jurisdiction.

12.2.1 Smaller Claims. If the Dispute involves a claim for monetary damages only and in an amount equal to or less than \$1 million, exclusive of legal fees and costs of the arbitration, then the Parties will jointly select one independent arbitrator who is experienced and knowledgeable about the Internet industry and about the particular products or services at issue and who is not an employee, consultant or former employee or consultant of either Party. If the Parties do not agree on the identity of the arbitrator within five Business Days of the commencement of the arbitration, either Party may apply to JAMS for the appointment of an arbitrator who will have, to the greatest extent possible, experience and knowledge about the Internet industry and about the particular products or services at issue. If required to act in accordance with this Section to appoint a single arbitrator in lieu of a Party, JAMS will appoint an arbitrator within 15 days of such application.

12.2.2 Larger Claims.

(a) For all other Disputes governed by this Section 12.2, the Dispute will be determined by a panel of three arbitrators. The Party initiating the arbitration (the "Claimant") will appoint an arbitrator experienced and knowledgeable about the Internet industry and about the particular products or services at issue and who is not an employee, consultant or former employee or consultant of either Party in its request for arbitration, demand for arbitration or notice of claim (the "Demand"). The Party responding to the Demand (the "Respondent") will within 15 days appoint one arbitrator experienced and knowledgeable about the Internet industry and about the particular products or services at issue and who is not an employee, consultant or former employee or consultant of either Party and will notify the Claimant in writing of the appointment. If within 30 days after receipt of the Demand by the Respondent, either Party has not appointed an arbitrator, then that Arbitrator will be appointed by JAMS from its then-current roster of arbitrators for Large, Complex Commercial Disputes, and in making this appointment, JAMS will nominate an arbitrator who is (i) experienced and knowledgeable about the Internet industry and about the particular products or services at issue and (ii) not an employee, consultant or former employee or consultant of either Party. If required to act in accordance with this Section to appoint an arbitrator in lieu of a Party, JAMS will appoint an arbitrator within 15 days of such application.

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(b) Within 30 days of the appointment of the second arbitrator, JAMS shall appoint the third arbitrator in accordance with Rule 15 of the JAMS Comprehensive Arbitration Rules and Procedures. The third arbitrator must be (i) experienced and knowledgeable about the Internet industry and about the particular products or services at issue and (ii) not an employee, consultant or former employee or consultant of either Party. The third arbitrator will act as the chair of the arbitration panel.

(c) Prior to the commencement of an arbitration proceeding, either Party may disqualify the appointment of an arbitrator for conflict of interest as established in good faith by the Party. Additionally, each Party may in its sole discretion exercise one peremptory disqualification of the third arbitrator.

12.2.3 Choice of Law. This arbitration provision (including the validity and applicability of the agreement to arbitrate, the conduct of any arbitration of a Dispute, the enforcement of any arbitral award made hereunder and any other questions of arbitration law or procedure arising hereunder) and its interpretation, any and all disputes between the Parties arising out of or relating to this Agreement in any manner, shall be governed by and construed in accordance with the internal laws of the State of New York, without giving effect to any choice or conflict of law provision or rule (whether of the State of New York or any other jurisdiction) that would cause the application of laws of any jurisdictions other than those of the State of New York or the United States. The Parties specifically exclude from application to the Agreement the United Nations Convention on Contracts for the International Sale of Goods and the Uniform Computer Information Transactions Act. The parties further agree that any claim, cause of action or proceeding relating to any arbitration sought, compelled or performed hereunder will be brought and pursued only in the U.S. District Court for the Southern District of New York or, solely in the case that such federal court does not have jurisdiction, in any New York State court sitting in New York City (collectively, the "New York Courts"). Microsoft and Conduit each submit to the exclusive jurisdiction and venue of the New York Courts for such purposes, except that any confirmed arbitration award may be enforced in any court having jurisdiction over a party or, to the extent of any in rem action, any of its assets. The parties further irrevocably waive any objection to the laying of the venue of any such proceeding in the New York Courts, any claim that any such proceeding has been brought in an inconvenient or inappropriate forum and any right to a jury trial with regard to any such proceeding.

12.2.4 Conduct of Arbitration.

(a) Decision. The arbitration award will be a reasoned decision, will be in writing and will state with particularity the legal and factual bases for the decision and will be final and binding upon the Parties.

(b) Fees and Awards. The arbitrators' fees and costs of the arbitration will be borne by the Claimant and Respondent equally, unless the arbitration panel in its discretion makes a different provision in the final award. The arbitration panel is empowered in its discretion to include an award of costs, including reasonable attorneys' fees and disbursements to the prevailing Party. In addition to monetary damages, the arbitration panel will be empowered to award equitable relief, including, but not limited to, an injunction and specific performance of any obligation under this Agreement. The arbitrators' award of damages shall be limited by Section 9 (Limitation of Liability) and any other relief, including suspension or termination, will be consistent with the terms and conditions of this Agreement. The arbitrators will have no jurisdiction to, and are not empowered to, modify or amend the exclusions and limitations of liability or the termination rights set forth in this Agreement. The arbitration panel will be authorized in its discretion to grant pre- and post-award interest at commercial rates. Any costs, fees or taxes incident to enforcing the award will, to the maximum extent permitted by law, be charged against the Party resisting such enforcement. Judgment upon the award may be entered by any court in the United States having jurisdiction over the relevant Party or any of its assets.

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12.2.5 **Confidentiality of Proceedings.** The Parties agree that any arbitration proceedings hereunder will be treated as the Confidential Information of both Parties and that the existence of the proceeding and any element of it (including, but not limited to, any pleadings, briefs or other documents submitted or exchanged and any testimony or other oral submissions and awards) will not be disclosed beyond the arbitration panel, except as may lawfully be required in judicial proceedings relating to the arbitration or in accordance with the disclosure provisions of Section 6.3 (Required Disclosures). In addition, if a Party's Confidential Information is required to be disclosed pursuant to an arbitration proceeding or other judicial proceeding, the Receiving Party shall treat the Disclosing Party's Confidential Information pursuant to the terms of Section 6 (Confidentiality).

13. ACCOUNT MANAGEMENT

13.1 **Appointment.** Each Party shall designate an individual to oversee and manage this Agreement and the relationship of the Parties during the Term (each, an "Account Manager"), and each Account Manager shall be the first point of escalation for the resolution of Disputes. Each Account Manager shall be the individual to whom all communications regarding the Parties' relationship under this Agreement may be addressed, and who has the authority to act for the appointing Party in connection with all day to day aspects of this Agreement. Microsoft's Account Manager shall be available to Conduit as reasonably required and will assist Conduit, as reasonably requested by Conduit, in all aspects of implementing the Services. The parties will discuss such things as optimizing the End User experience, the number of Unique Searchers, Gross Revenue and the placement and content of Conduit content and applications on Results Pages. Without limiting the foregoing, each Account Manager, together with other personnel as determined by the Account Managers, will meet telephonically or in person (a) from time to time (at a minimum on a weekly basis) to discuss the various elements of this Agreement or (b) as needed to resolve any business or technical issues that may arise with respect to this Agreement or the relationship of the Parties. Each Party shall similarly appoint a technical leader (each, a "Tech Lead"), who shall be the primary point of contact for addressing technical issues with the implementation of the Services on the Properties. Each Party will be responsible for all travel and other costs and expenses for its representatives to attend meetings of, or otherwise participate in, such meetings. The appointment or removal of Microsoft's Account Manager or Tech Lead and any replacement will be with the prior consent of Conduit, which consent shall not be unreasonably withheld. Conduit shall have the right to request, by delivery of written notice to Microsoft, the removal from the engagement of Microsoft's Account Manager or Tech Lead, and within ten days of the delivery of such notice to Microsoft, Microsoft shall comply with Conduit's request, unless Microsoft has a good faith belief that removal is not justified, in which event Conduit will consider in good faith the reasons for Microsoft's belief and may withdraw its request .

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13.2 Escalation. Any issue requiring resolution by the Account Executives that remains unresolved will be resolved in accordance with the dispute resolution procedures of Section 12.1.

14. PUBLIC RELATIONS AND COMMUNICATIONS

14.1 Publicity. Promptly following the execution of this Agreement, the Parties agree to make a mutually-agreed public statement regarding the Agreement and relationship contemplated hereby. Except with respect to such public statement, no Party (or their Affiliates) may issue any press release or make any similar public announcement or public statement, regarding this Agreement without the other Party's prior written approval and consent, except as may be required by Law (including securities laws and regulations including in the context of an initial public offering) or legal process or by any listing agreement with a national securities exchange, in which case the Party proposing to issue such press release or make such public announcement will use its commercially reasonable efforts to consult in good faith with the other Party before making any such public announcement. Except as otherwise provided in this Section 14.1, any and all press releases or similar public announcements or public statements relating to this Agreement will be approved in advance of the release, in writing, by both Conduit and Microsoft and once released, either Party may repeat information so released and any other public statement that has been publicly disclosed in accordance with Section 6.2 or Section 6.3 without further consent of the other Party.

15. TERM AND TERMINATION

15.1 Term. The term of this Agreement will commence on the Effective Date and will continue until December 31, 2014, unless earlier terminated as provided in this Section 15 (the "Term").

15.2 Termination for Repeated Material Breach. A non-breaching Party may terminate this Agreement if the breaching Party has repeatedly materially breached material provisions of this Agreement to such a degree that it is unlikely that the breaching Party is willing or able to continue to perform its obligations under this Agreement without continuing to materially breach this Agreement.

15.3 Termination for Convenience.

15.3.1 By Microsoft. Microsoft shall have the option of terminating the Agreement for convenience by providing at least [***] days prior written notice with the termination being effective no sooner than [***]. If Microsoft elects to terminate, then Conduit may override Microsoft's election by providing notice to Microsoft of its intent to continue the Agreement ("Termination Override Notice") in which event, the Agreement will continue unless otherwise terminated pursuant to this Section 15 (provided that Microsoft may not thereafter provide notice under this Section 15.3.1).

15.3.2 Conduit shall have the option of terminating the Agreement for convenience (including in the event that Termination Override Notice is given) by providing at least [***] days prior written notice with the termination being effective no sooner than [***].

15.4 Termination for Change of Control Transaction. As promptly as practicable following the earlier to occur of (a) the execution of a definitive agreement by a Party providing for a Change of Control Transaction of such Party and (b) the consummation of a Change of Control Transaction of such Party, such Party shall provide the other Party written notice thereof and, no later than the 60th day following such notice, either Party shall have the option to terminate this Agreement upon written notice to the other Party. Such termination will be effective (x) upon the consummation of the Change of Control Transaction, if such notice of termination is given prior to the consummation of the Change in Control or (y) upon the delivery of such termination notice, if the consummation of the Change in Control Transaction has already occurred; provided that in either case, if Microsoft is the terminating Party, Conduit (or its successor) shall have the option to extend this Agreement for up to an additional 90 days upon notice to Microsoft.

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15.5 Effect of Early Termination. If this Agreement is terminated by either party pursuant to Section 15.2 or 15.4 (but not Section 15.3) prior to the expiration of the four-year period defined under Section 15.1, then

15.5.1 At Conduit's election prior to the end of the Term, Microsoft will continue to provide Services to Conduit and the Conduit Publishers under the applicable terms and conditions of this Agreement for a period of time not to exceed 90 days from the date of Conduit's election so that Conduit may transition from the Services provided by Microsoft to another solution (the "Tail Transition Period");

15.5.2 During the Tail Transition Period, except as otherwise provided in this Section 15.5, all provisions of this Agreement will apply and the Parties will still share revenues according to Section 4; and

15.5.3 This Agreement will terminate upon the conclusion of the Tail Transition Period.

15.6 Exclusive Rights to Terminate. The express rights to terminate this Agreement set forth in this Section 15 are exclusive and, without limitation of a Party's other remedies available hereunder, neither Party will have any additional right (whether at Law, in equity, under Section 16.7 or otherwise) to terminate this Agreement, in whole or in part.

15.7 Survival. Sections 1, 4, 5.1 (with respect to the Parties' respective ownership of their Intellectual Property Rights), 5.2.1, 5.4, 5.5, 6, 7, 8, 9, 10, 12, 15 (provisions of Section 15 generally, as they concern the conditions under which termination is permitted and which must be satisfied after exercise of a termination right) and 16 will survive expiration or termination of the Term. In addition, all payment obligations arising under any other Sections of this Agreement or its Exhibits survive with respect to the amounts owed under such obligations as of the effective date of termination or expiration.

16. MISCELLANEOUS

16.1 Rules of Construction. The words "hereof," "herein" and "hereunder" and other words of similar import refer to this Agreement in its entirety and not to any part hereof unless the context shall otherwise require. All references herein to Sections and Exhibits shall be deemed references to and Sections of, and Exhibits to, this Agreement unless the context shall otherwise require. The word "including," when used herein is not intended to be exclusive and means "including, but not limited to." The headings used in this Agreement are inserted for convenience of reference only and do not constitute a part of and will not be utilized in interpreting this Agreement. Except where the context so requires, any reference to a singular noun shall include its plural, the use of the word "all" shall be construed as "any and all," the word "any" shall be construed as "any and all," and the word "each" shall be construed as "all and each." This Agreement has been negotiated by the Parties and their respective counsel and will be fairly interpreted in accordance with its terms and conditions pursuant to the governing Law selected by the Parties pursuant to Section 12.2.3 without application of any rules of construction relating to which Party drafted this Agreement in favor of, or against, either Party. Unless otherwise expressly provided herein or unless the context shall otherwise require, any references as of any time to any agreement (including this Agreement) or other contract, instrument or document or to any statute or regulation or any specific section or other provision thereof are to it as amended and supplemented through such time (and, in the case of a statute or regulation or specific section or other provision thereof, to any successor of such statute, regulation, section or other provision). Any reference in this Agreement to a "day" or number of "days" (without the explicit qualification of "Business Day") shall be interpreted as a reference to a calendar day or number of calendar days. If any action or notice is to be taken or given on or by a particular calendar day, and such calendar day is not a Business Day, then such action or notice shall be deferred until, or may be taken or given on, the next Business Day. Unless otherwise expressly provided herein or unless the context shall otherwise require, any provision of this Agreement using a defined term (by way of example and without limitation, such as "Affiliate") which is based on a specified characteristic, qualification, feature or status shall, as of any time, refer only to such persons or entities who have the specified characteristic, qualification, feature or status as of that particular time. This contract is written in English and, if it is translated into any other language, the English-language version controls.

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16.2 Force Majeure. Neither Party or its Affiliates will be in violation of any of the requirements of this Agreement to the extent that its performance is impaired as a result of any delay, failure in performance, or interruption of service, resulting directly or indirectly from acts of God, acts of civil or military authorities, civil disturbances, wars, acts of terrorism, strikes or other labor disputes, fires, transportation contingencies, outages of third party telecommunications networks with whom the non-performing Party does not have a direct contractual relationship, failure of suppliers with whom the non-performing Party does not have a direct contractual relationship, or other similar occurrences which are beyond such Party's reasonable control; provided, however, that any such delay or failure will be remedied by such Party as soon as reasonably possible. Upon the occurrence of a force majeure event, the Party unable to perform will, if and as soon as possible, provide written notice to the other Party indicating that a force majeure event occurred and detailing how such force majeure event impacts the performance of its obligations. Microsoft will maintain during the Term, appropriate business continuity and disaster recovery plans, procedures, facilities and equipment to restore operation of the Services within a reasonable period of time under the circumstances.

16.3 Amendment or Modification. This Agreement may be amended or modified only by a written agreement that (a) refers to this Agreement; and (b) is executed by an authorized representative of each Party.

16.4 Assignment; Delegation. This Agreement and the performance of any duties hereunder may not be assigned, transferred, delegated (except as set forth below), sold or otherwise disposed of by a Party other than (a) with the prior written consent of the other Party, or (b) in the event of a sale of all or substantially all of such Party's assets or in the event of a merger, consolidation, share exchange, recapitalization, restructuring or business combination involving such Party. This Agreement will be binding upon and shall inure to the benefit of a Party's permitted successors and assigns. Any purported assignment, transfer, delegation, sale or other disposition in contravention of this Section 16.4 is null and void. Notwithstanding the foregoing, either Party may delegate its performance to, or exercise its rights through, one or more Affiliates in the Territory; provided that in the event of any such delegation or exercise, each Party will remain liable and fully responsible for its Affiliates' performance of and compliance with such Party's obligations and duties under this Agreement.

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16.5 Notices. All notices hereunder shall be deemed given (a) upon receipt when delivered personally, (b) upon written verification of receipt from overnight courier, (c) upon verification of receipt of registered or certified mail or (d) upon verification of receipt via facsimile, provided that such notice is also sent via first class mail by no later than the next Business Day after sending via facsimile. All notices shall be in English and in writing and sent to:

If to Microsoft, to:

Microsoft Corporation
One Microsoft Way
Redmond, WA 98052
USA
Attention: General Manager for Strategic Partnerships,
Online Services Division
Telephone: (425) 882-8080
Telecopy: (425) 936-7329

with a copy to:

Microsoft Corporation
One Microsoft Way
Redmond, WA 98052
USA
Attention: Deputy General Counsel, Online Services Division
Telephone: (425) 882-8080
Telecopy: (425) 936-7329

If to Conduit, to:

Conduit Ltd.
5 Golda Meir Street
Park Ta'asiyot Hamada
Ness-Ziona, 74140
Israel
Attention: Legal Counsel
Telephone: 972-8-9461713
Telecopy: 972-73-7017378

A Party may change its address for notices by written notice given pursuant to this Section 16.5.

16.6 Waiver. Any of the provisions of this Agreement may be waived by the Party entitled to the benefit thereof. No Party will be deemed, by any act or omission, to have waived any of its rights or remedies hereunder unless such waiver is in writing and signed by the waiving Party, and then only to the extent specifically set forth in such writing. A waiver with reference to one event will not be construed as continuing or as a bar to, or waiver of, any right or remedy as to a subsequent event.

16.7 Remedies Cumulative. Except as expressly set forth herein, no remedy conferred upon any of the Parties by this Agreement is intended to be exclusive of any other remedy, and each and every such remedy will be cumulative and will be in addition to any other remedy given hereunder or now or hereafter existing at Law or in equity. For clarity, this Section does not expand either Party's ability to terminate this Agreement beyond the provisions of Section 15.

16.8 Severability. If the application of any provision or provisions of this Agreement to any particular facts or circumstances is held to be illegal, invalid or unenforceable by any arbitrator, arbitration panel or court of competent jurisdiction, the validity and enforceability of such provision or provisions as applied to any other particular facts or circumstances and the validity of other provisions of this Agreement will not in any way be affected or impaired thereby, and the Parties agree that the arbitrator, arbitration panel or court of competent jurisdiction making such determination will have the power to modify the provision in a manner consistent with its objectives such that it is enforceable.

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16.9 Independent Contractors. The Parties acknowledge and agree that they are dealing with each other as independent contractors. Neither this Agreement nor any terms and conditions contained in this Agreement may be construed to: (a) give any Party the power to direct and control the day-to-day activities of any of the other; (b) create or constitute a partnership, joint venture, franchise, employment or agency relationship between or among the Parties; or (c) allow any Party to create or assume any obligation on behalf of the other Party for any purpose whatsoever.

16.10 No Third Party Beneficiaries. Nothing in this Agreement, express or implied, is intended to or will confer upon any person (other than the Parties, their Affiliates and the Indemnified Parties) any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

16.11 Entire Agreement. This Agreement supersedes any other prior or collateral agreements, whether oral or written, with respect to the subject matter hereof. This Agreement (including any exhibits thereto) constitutes the entire agreement with respect to the subject matter hereof.

16.12 Counterparts; Facsimiles. This Agreement may be executed in any number of textually identical counterparts, each of which when so executed and delivered will be deemed an original, and such textually identical counterparts together will constitute one and the same instrument. Each Party will receive a duplicate original of the counterpart copy or copies executed by it. For purposes hereof, a facsimile or scanned copy of this Agreement, including the signature pages hereto, will be deemed to be an original. Notwithstanding the foregoing, the Parties will each deliver original execution copies of this Agreement to one another as soon as practicable following execution thereof.

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IN WITNESS WHEREOF, the Parties to this Agreement by their duly authorized representatives have executed this Agreement as of the Effective Date.

CONDUIT LTD.

MICROSOFT ONLINE, INC.

By: /s/Ronen Shilo
Name:
Title:

By: /s/ J. McCLAMAROCHE, JR.
Name: J. McCLAMAROCHE, JR.
Title: GM, OSD, MICROSOFT

[Signature Page to Search Services Agreement]

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CONFIDENTIAL TREATMENT UNDER RULE 24b-2 OF THE SECURITIES EXCHANGE
ACT OF 1934; [***] DENOTES OMISSIONS**

EXHIBIT A

SERVICE LEVEL AGREEMENT

This Service Level Agreement (the “SLA”) sets forth the minimum service level commitments that Microsoft is obligated to deliver under the Agreement. Capitalized terms not defined herein shall have the same meaning as set forth in the Agreement.

I. CONTACT INFORMATION

A. The following technical contact lists will be used to communicate and coordinate regarding technical problems that may be encountered with the Services. Each party may update its contact information upon written notice to the other party.

1. [***]

Name	Role/ Responsibility	Email Address	Office Phone	Mobile Phone
[***]	Operation manager (Connection, server issues)	[***]	[***]	[***]
[***]	Director of IT (Connection, server (escalation) issues)	[***]	[***]	[***]
[***]	Sr. System admin (Connection, server issues)	[***]	[***]	[***]
[***]	Application team leader (Application, referrals issues)	[***]	[***]	[***]
[***]	VP Engineering (Application, referrals (escalation))	[***]	[***]	[***]
[***]	CTO (All issues)	[***]	[***]	[***]
[***]	VP Strategy (US focal) (All issues)	[***]	[***]	[***]
[***]	CTO (Business issues)	[***]	[***]	[***]
[***]	VP Strategy (US focal) (Business issues)	[***]	[***]	[***]

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2. [***].

Name	Role/ Responsibility	Email Address	Office Phone	Mobile Phone
***	Business Development	***	***	***
***	Account Manager	***	***	***
***	Director, Partnership Management	***	***	***
***	Lead Program Manager, Operations	***	***	
***	Search PM	***	***	
***	Principal Group Mgr, Search PM	***	***	

II. SUPPORT

A. Definitions.

1. Catastrophic Problem. An issue which causes the Services to become largely unavailable or cease to function substantially correctly and/or that persists for a period of one hour or more.
2. Conduit Content. Content and applications of Conduit that Microsoft hosts on or within a Results Page pursuant to the Agreement.
3. Minor Problem. A Minor Problem is (a) a cosmetic display issue that allows the major elements of Results or Conduit Content to display in a legible format, but causes textual irregularities, (b) minor issues that do not have widespread impact to End Users, or (c) other similar problems which do not need immediate resolution. Once a Minor Problem has been outstanding for more than 14 days, either party may escalate the issue for resolution through the Support Personnel table, with notice to the other party. For clarity, an error which causes Results or Conduit Content to fail to work, display completely, or to be completely legible will be considered a Moderate Problem, Severe Problem, or Catastrophic Problem, not a Minor Problem.
4. Moderate Problem. An issue with a Service which has widespread impact to End Users but which is not making the Service unusable for a large percentage of Queries or operations. Once a Moderate Problem has been outstanding for more than four hours, either party may, using reasonable judgment, upgrade the issue to a Severe Problem.
5. Severe Problem. An error, bug, incompatibility or malfunction, which causes the Services not to operate substantially as designed, and/or renders the Results or Conduit Content substantially unavailable to or substantially unusable by End Users. Once a Moderate Problem has been outstanding for more than four hours, either party may, using their judgment, upgrade the issue to a Severe Problem.
6. Problem Resolution. A correction, patch, fix, alteration or Temporary Workaround that minimizes the effect of a Minor Problem, Moderate Problem, Severe Problem, or Catastrophic Problem restoring the system to the levels set forth in this SLA within the response times set forth in this SLA.

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7. Temporary Workaround. A temporary technical solution that restores the system to the levels set forth in this SLA, although there may be ongoing or additional measures until a permanent solution can be implemented.

B. Support Obligations.

1. Availability of Support. Microsoft will provide Conduit with technical support in the English language with respect to the Services, 24 hours a day, 365 days a year.

2. Problem Identification. All Moderate Problems, Severe Problems, and Catastrophic Problems reported by Conduit will be submitted to Microsoft via the technical support telephone number or via e-mail to the contact information set forth in the Microsoft Contact List, and each such problem will be assigned a unique ticket number by Microsoft.

3. Response Times. When Microsoft is made aware of an issue by Conduit, it will respond to Conduit within the time indicated in the Initial Response Target time column, and provide status updates according to, and will use all commercially reasonable efforts to resolve the Minor Problem, Moderate Problem, Severe Problem or Catastrophic Problem as rapidly as possible and within the targeted time frames set forth in the following table:

Priority Description	Initial Response Target	Status Updates	Target for Problem Resolution
Catastrophic Problem	5 minutes	Continuous communications	Continuous effort until Problem Resolution is implemented
Severe Problem	10 minutes	Every 15 minutes	30 minutes
Moderate Problem	30 minutes	Every 60 minutes	2 hours
Minor Problem	1 hour	To be determined based upon the problem/request	To be determined based upon the problem/ request

4. Escalation Process.

a. In the event that Microsoft does not respond to Conduit within the Initial Response Target time from receipt of communication or detection of a Moderate Problem, Severe Problem, or Catastrophic Problem, then Conduit may escalate through the chain specified in the appropriate Support Personnel table.

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b. If a Severe Problem or Catastrophic Problem remains unresolved for an extended period, Conduit and Microsoft will make available necessary personnel to discuss the issue and to effect a resolution according to the following table:

Time Problem Outstanding	Conduit Contact	Microsoft Contact
2 hours	Yaron Weiss and Hai Habet	Partner Manager to triage issues
8 hours	David Alfasi	Business Development
12 hours	Yaron Chattah	GM of OABG
24 hours	Dror Erez	Head of Support

III. OPERATIONAL METRICS.

A. Availability. Microsoft will maintain [***] monthly Availability, as measured by Microsoft's production query logs with at least [***] intervals and reported daily. If Availability falls below such level, Microsoft will effect a Problem Resolution. Microsoft will provide to Conduit reasonable technical specifications for redirecting traffic in case of temporary unavailability of a Microsoft data center to a Microsoft data center which is capable of providing the Services. "Availability" means the percentage of the total Queries for which Microsoft responds either with properly formatted Results and other content (including Conduit content hosted by Microsoft pursuant to the Agreement or a "no results delivered" response, where that would be a correct response for the Query.

B. Capacity. Microsoft must maintain sufficient server capacity such that Microsoft will still be able to support (a) an average Query rate per country, per second, as provided by Conduit to Microsoft prior to launch and as needed during the Term and (b) a peak Query rate of [***] above the [***] that Conduit provided to Microsoft at time of launch and thereafter [***] during the preceding [***], as measured in [***] intervals.

C. Response Times. Microsoft will return Results in response to Queries from the Sources with Internal Response Times equal to the service levels established by Microsoft with respect to the Bing Site. "Internal Response Time" means the period of time beginning at the time of Microsoft's receipt of a Query from a Source to the completion of sending the Results for display to End Users.

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EXHIBIT B

SOURCES

Conduit enables search opportunities through a variety of Sources. Sources may be implemented by End Users, either on an “opt-in” or “opt-out” basis, as permitted under Section 2.7.3(a) of the Agreement. For purposes of the Agreement and unless otherwise agreed by the Parties in writing, the term “Sources” includes only the following:

Search Box: searches are conducted by End Users via a search box enabled in a Property or by an application, such as a toolbar, distributed by Conduit or a Conduit Publisher, on a Conduit [***] or on a Conduit or [***] (as described in Section 2.7.3(a)).

[***]: searches are conducted by End Users via [***] enabled in or by an application, such as a toolbar, distributed by Conduit or a Conduit Publisher, on a Conduit [***] or on a Conduit [***] (as described in Section 2.7.3(a)).

Web Browser Default Search: replacing the default search engine within a user’s browser (such as for the browser’s default search box, search links, address bar search functionality and 404 and 502 error functionality).

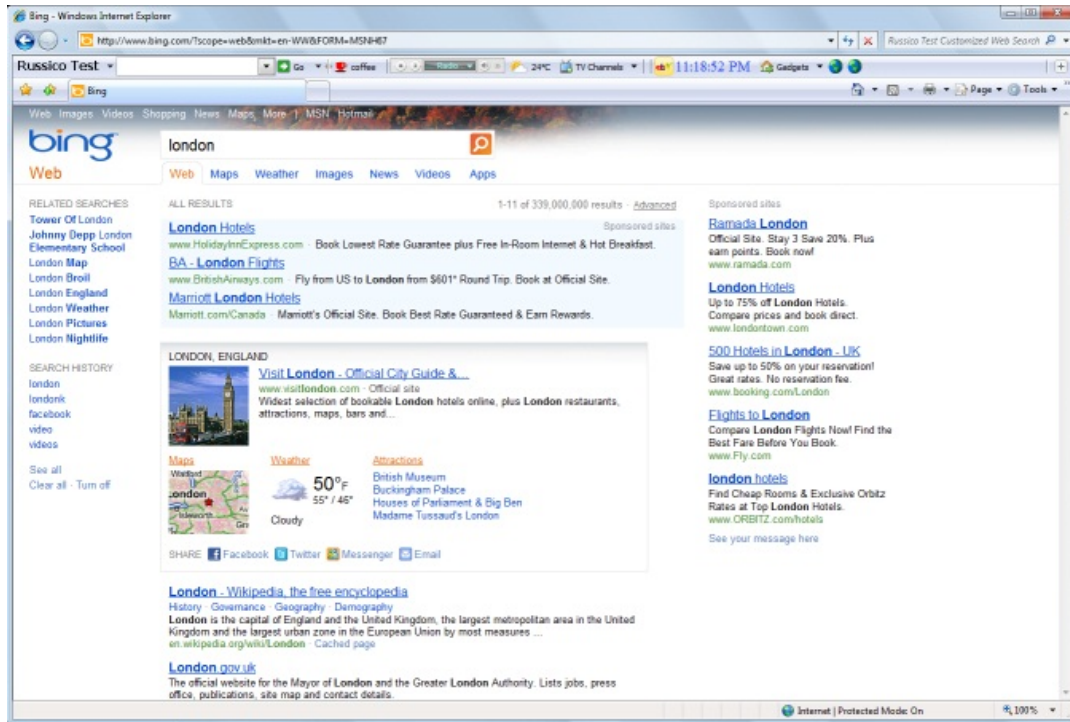
Search From New Tab: when a user opens a new tab in a browser, the default new tab page will be a page determined by Conduit or Conduit Publisher that may include a search box, search links, applications and other content or that may be the Bing Site homepage (in which event, Microsoft will recognize and track traffic from each Conduit Publisher for purposes of determining the number of Unique Searchers and accounting for Gross Revenue).

From time to time, the Parties upon mutual agreement may deem additional sources to be “Sources” or remove any sources from the scope of the Agreement by executing a written amendment to this Exhibit B.

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EXHIBIT C-1

APPS LINK IMPLEMENTATION



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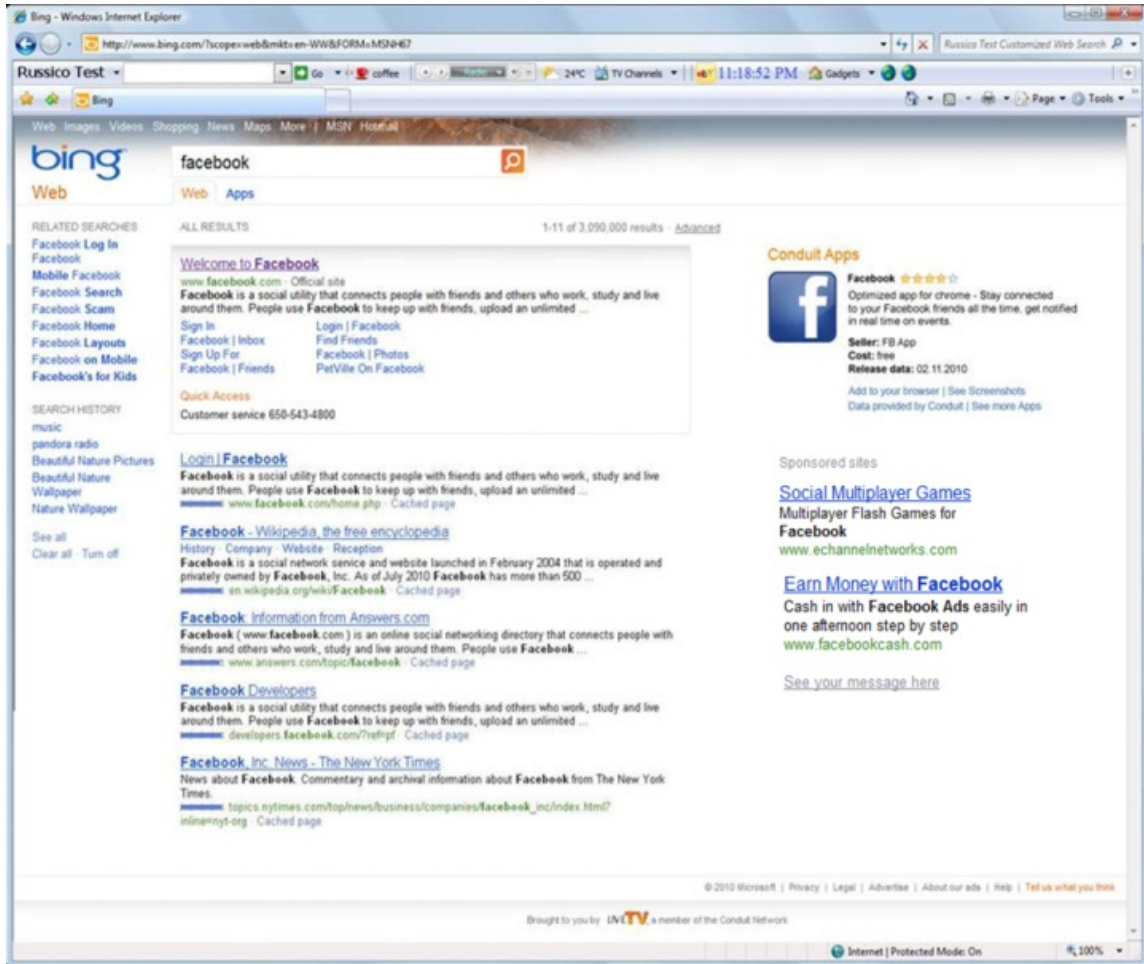
CONDUIT LAYER MOCKUPS

MOCKUP 1 (CONDUIT LAYER SHOWN IN MAIN BODY OF RESULTS):



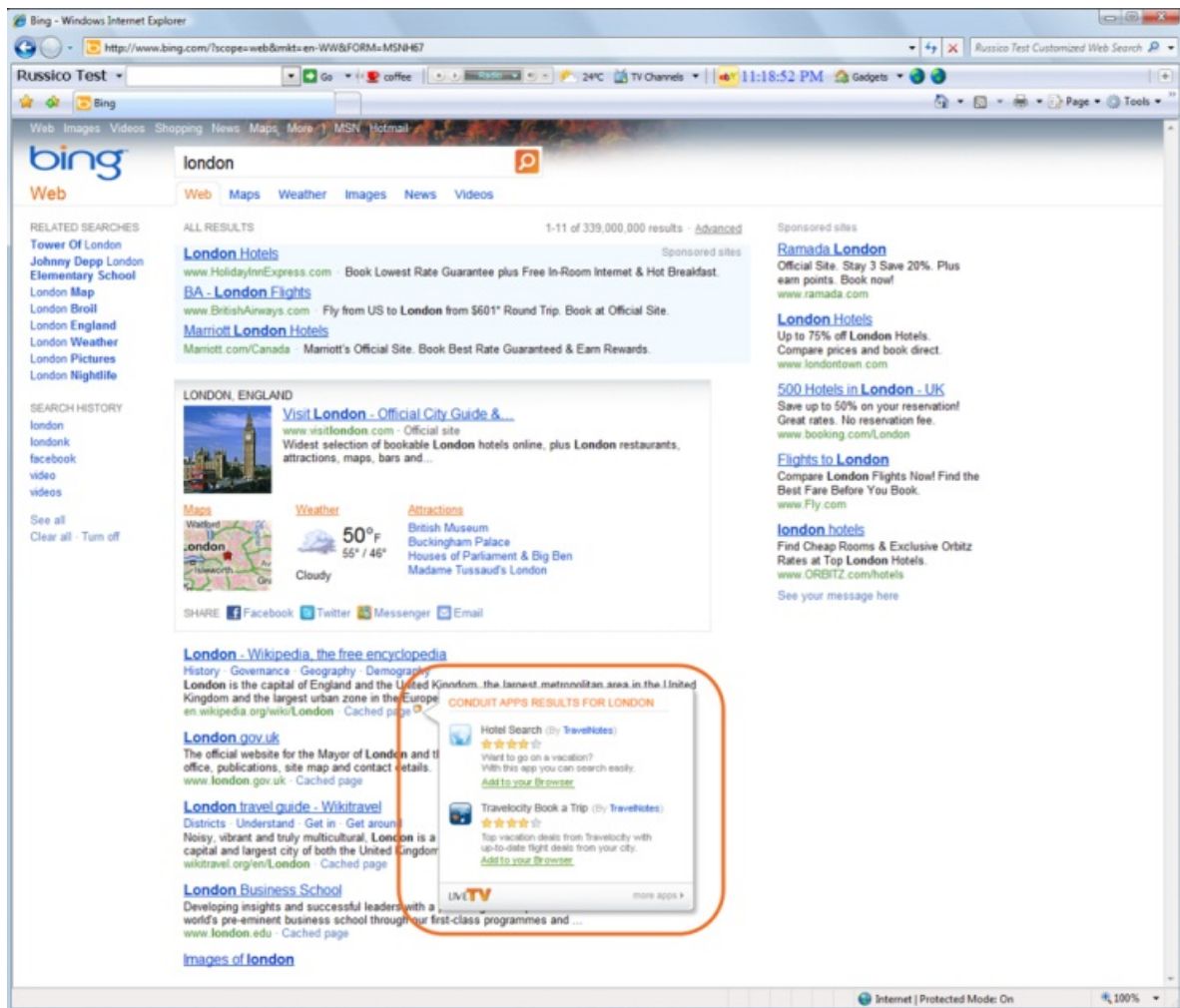
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MOCKUP 2 (RIGHT RAIL IMPLEMENTATION OF CONDUIT LAYER):



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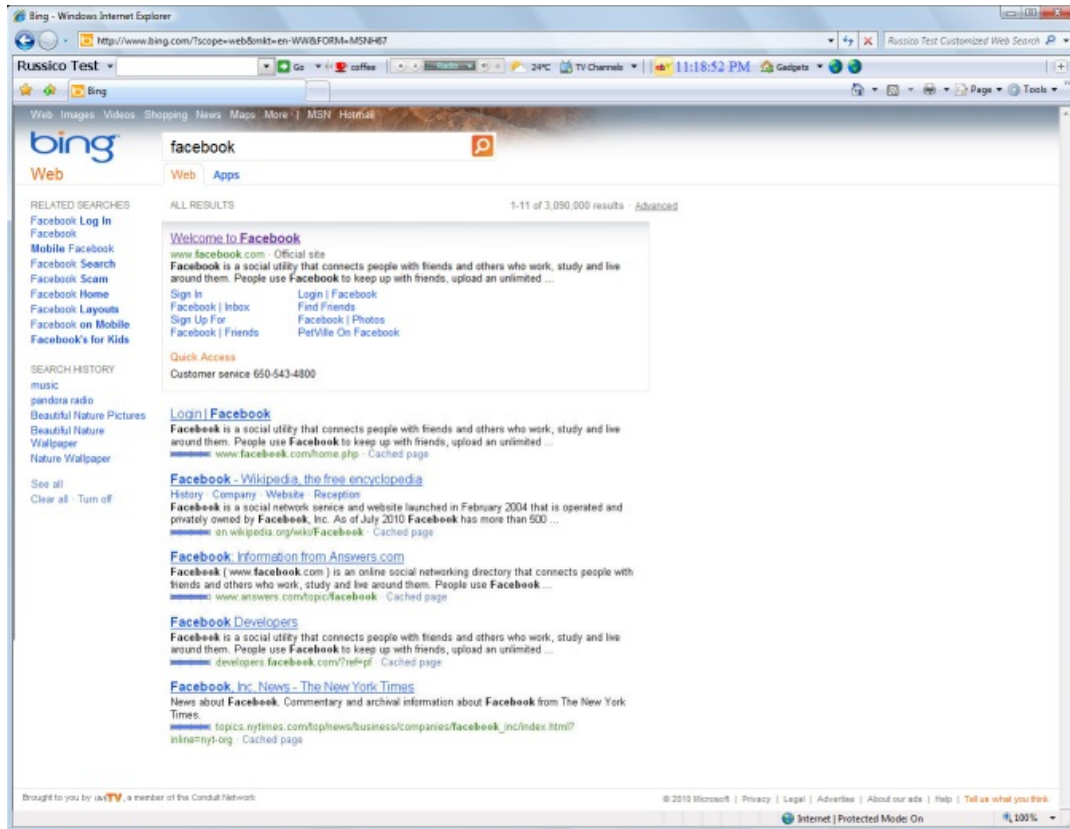
MOCKUP OF BUTTONS/LINKS TO APPLICATIONS



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EXHIBIT C-4


MOCKUP OF FOOTER



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MOCKUP OF CO-BRANDED HEADER



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[www.StubHub.com](#) · New York **Yankees Tickets**. Official Ticket Market of MLB.com.

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[www.CheapPricedTickets.com](#)

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[TicketsCompared.com/NewYorkYankees](#)

New York Baseball Tickets

Great Selection & Cheap Prices at CheapTickets.com. Buy Now & Save!
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Events: Yankees

	Oct 1, Fri	Fenway Park	Boston, MA	\$58 to \$1250
	May 2, Mon	Comerica Park	Detroit, MI	\$234
	Aug 15, Mon	Kauffman Stadium	Kansas City, MO	\$254
	Aug 18, Thu	Target Field	Minneapolis, MN	\$120 to \$326

Bing events Data provided by Zvents

New York Yankees Tickets | yankees.com: Tickets

2011 Season **Tickets** Seats Between The Bases **Yankees** Premium My **Yankees** Account Management & Info **Yankee** Stadium Experiences Group **Ticket** Information
[newyork.yankees.mlb.com/ticketing/index.jsp?c_id=nyy](#) · [Cached page](#) · [Mark as spam](#)

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EXHIBIT D

[***]

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EXHIBIT E

MICROSOFT BRAND FEATURES



The reversed full-color logos are preferred for all marketing communications on dark-color photographs or backgrounds.



The gray full-color logos can be used on light-color photographs or backgrounds.



The full-color blue logo is for use in the UI only.

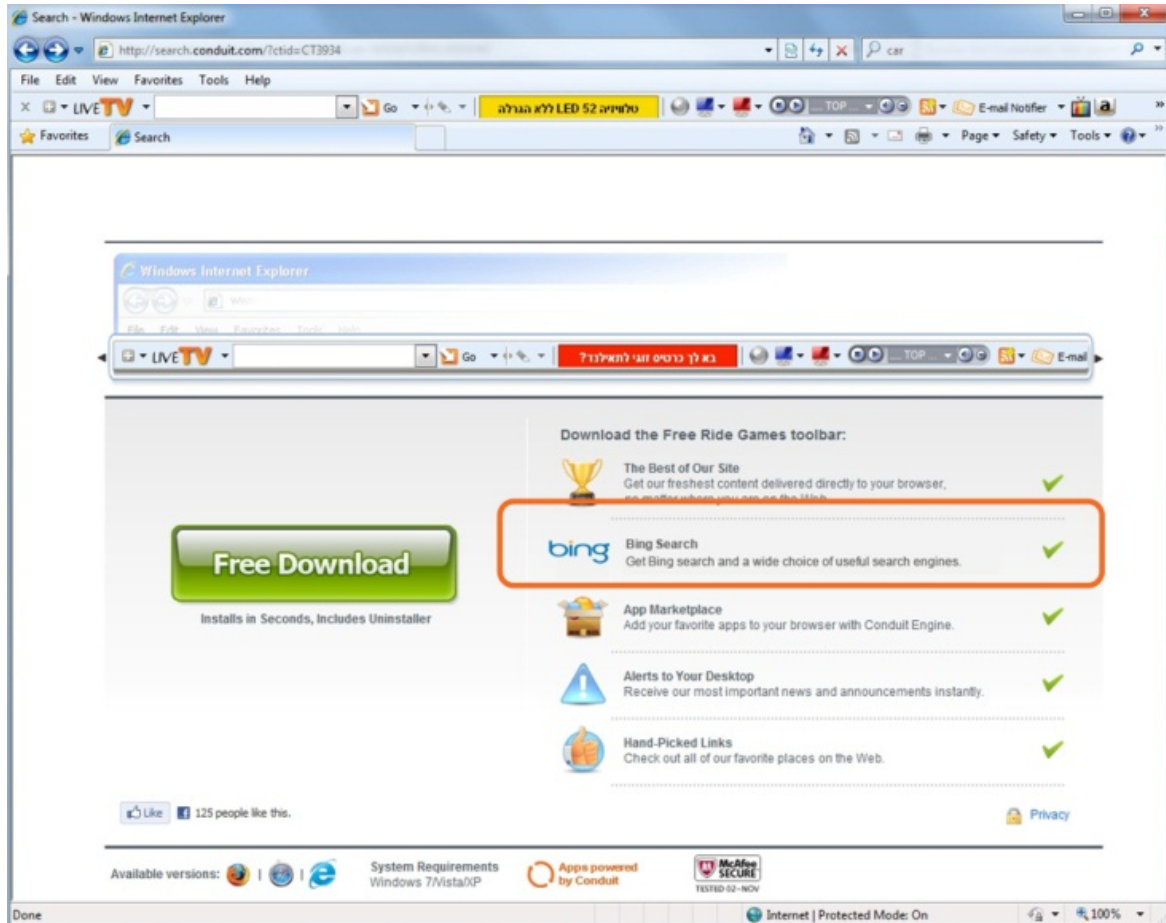
Logos in different sizes can be found at <https://brandtools.partners.extranet.Microsoft.com/>

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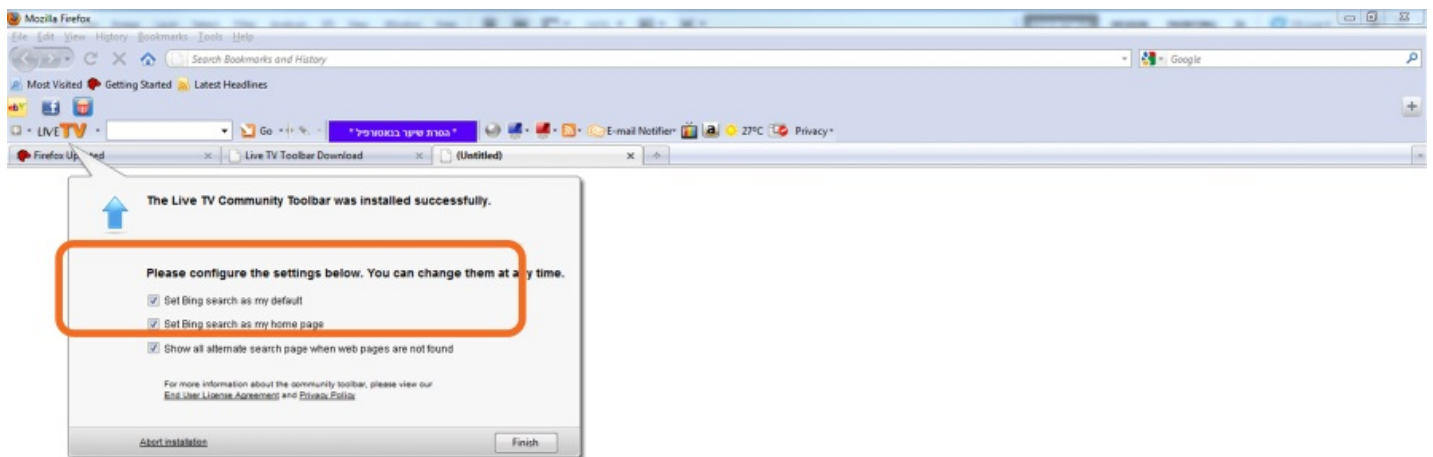
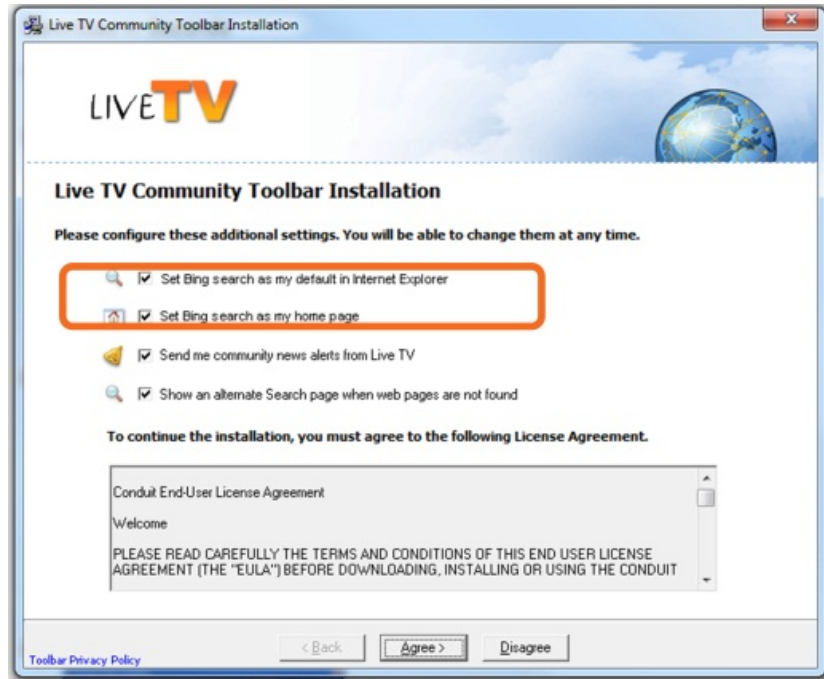
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EXAMPLE OF USE OF BING BRAND ON PUBLISHER INSTALL PAGES



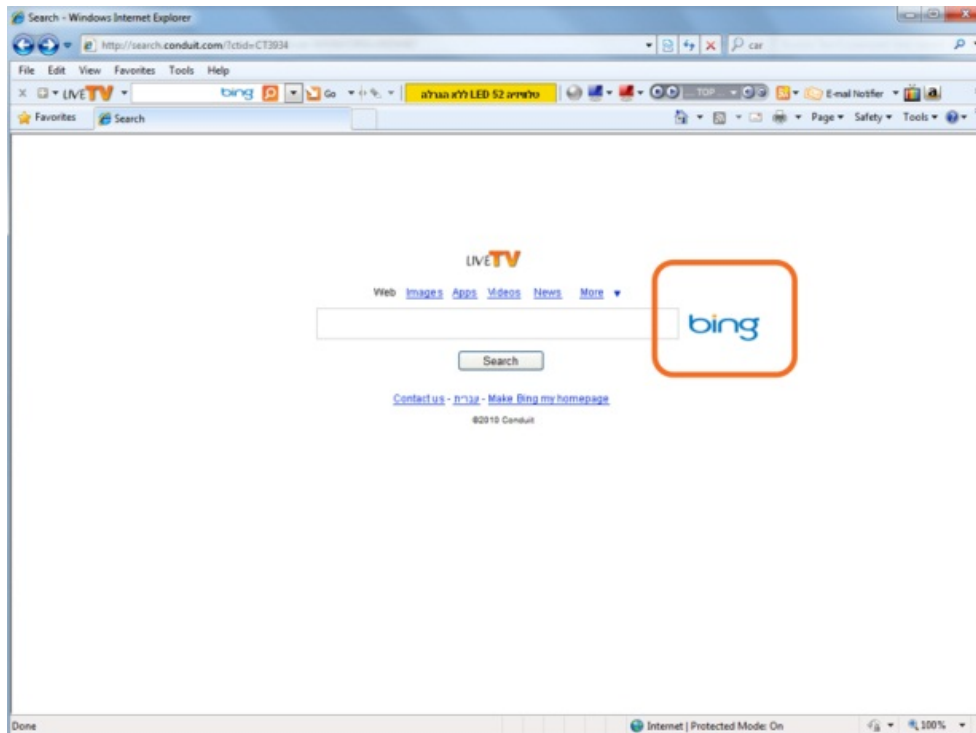
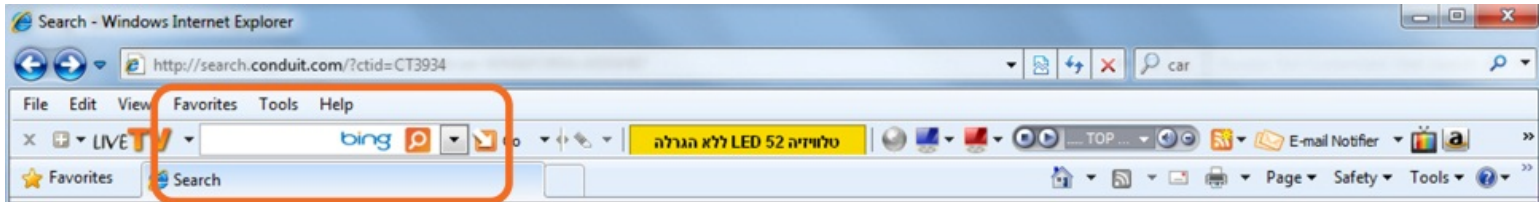
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EXAMPLE OF USE OF BING BRAND IN TOOLBAR INSTALLATION PROCESS:



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EXAMPLES OF USE OF BING BRAND ON SEARCH BOX (TOOLBAR AND CUSTOM HOMEPAGE):



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EXHIBIT F

MICROSOFT BRAND GUIDELINES

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EXHIBIT G

[***]

[***]

Example 1:

[***]

[***]

Example 2:

[***]

[***]

Example 3:

[***]

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G-2: [***]

- **Reporting Date** – [***] and last day of the [***].
- On the **Reporting Date**, Microsoft will report the total number of [***] within the **Reporting Period** [***].



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EXHIBIT H

[***]

Bank Information	
Bank name	[***]
Branch name	[***]
Bank address	[***]
Bank city	[***]
State	[***]
Bank country	[***]
Postal code	[***]
Bank contact name	[***]
Bank phone number	[***]
SWIFT/BIC code	[***]
IBAN/CLABE number	[***]
Account number	[***]
Account Name	[***]

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EXHIBIT I

TECHNICAL REQUIREMENTS FOR BRANDED FOOTER

Size Dimensions

Iframe width – 350px

Text color = #737373

Font = 8pt unbolded

Logo = max height 15px (increasing to 20px within a reasonable period of time as determined by mutual agreement)

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AMENDMENT TO SEARCH SERVICES AGREEMENT

This Amendment to Search Services Agreement (this "Amendment") is entered into as of May 11, 2011 ("Amendment Effective Date") by and between Conduit Ltd., a company formed under the laws of Israel ("Conduit") and Microsoft Online, Inc., a Nevada corporation ("Microsoft"), a wholly-owned subsidiary of Microsoft Corporation, a Washington corporation.

WHEREAS, Conduit and Microsoft are parties to that certain Search Services Agreement, entered into as of November 19, 2010 (the "Agreement"); and

WHEREAS, the Parties wish to amend the Agreement as more fully described herein.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the Parties agree as follows:

1. Definitions.

1.1 Sections 1.23 (Event), 1.41 [***], 1.50 [***], 1.59 [***], and 1.63 (Termination Override Notice) of the Agreement are deleted in their entirety and all references to such defined terms in the Agreement are stricken.

1.2 Section 1.24 of the Agreement is amended and restated in its entirety as follows:

"1.24 "Excess Revenue Share Payment" has the meaning given in Section 4.1.1(d)."

1.3 Section 1.39 of the Agreement is amended and restated in its entirety as follows:

"1.39 [***].

1.4 Section 1.66 of the Agreement is amended and restated in its entirety as follows:

"1.66 [***].

1.5 Section 1.68 of the Agreement is amended and restated in its entirety as follows:

"1.68 [***] means, for [***] during a given calendar month, the total number of Queries to the Services during such month [***]. For example, if there are [***] to the Services [***] during a given calendar month, then there would be [***]."

1.6 The Agreement is amended to include new Section 1.70 as follows:

"1.70 [***].

1.7 The Agreement is amended to include new Section 1.71 as follows:

"1.71 "Initial Two-Year Period" means the period from January 1, 2011 through and including December 31, 2012"

2. Exclusivity.

2.1 Section 3.1 of the Agreement is hereby amended and restated in its entirety as follows:

“3.1 Search Services. Conduit will, subject only to the exceptions set forth in Section 3.1.2 below, ensure that the following requirement is achieved:

3.1.1 Requirement. [***] on Properties or Sources and using Personal Computers (“U.S. Queries”) are directed to the Services during the Initial Two-Year Period. For purposes of clarity, (a) after the Initial Two-Year Period there is no exclusivity on U.S. Queries; (b) at all times during the Term there is no exclusivity on Queries originating from End Users [***] on Properties or Sources and using Personal Computers; and (c) at all times during the Term there is no exclusivity on Queries originating from Other Platforms or on queries (including Queries) originating from end users (including End Users) of third party applications, Properties or Sources for which the selection of a search service provider is controlled or directed by the third party and not Conduit (e.g., a button or other application distributed through the Conduit marketplace, or a Conduit Publisher Property or Source with respect to which Conduit does not have an agreement with the Publisher for Conduit to select the search service provider).

3.1.2 Exceptions.

(a) The requirement set forth in Section 3.1.1 above [***]:

- (i) from a Conduit Publisher Property or Source if the Conduit Publisher is not legally able to receive search services from Microsoft;
- (ii) from a Conduit Publisher Property or Source if, independently of any suggestion or influence by Conduit, the Conduit Publisher does not desire to receive search services from Microsoft or requires Conduit to use another provider; provided that Conduit may not include more than five (5) Conduit Publishers under this exception (ii) at any time (“Excluded Conduit Publishers”). [***] from Conduit Publishers that otherwise would be included within this exception but that are not Excluded Publishers would be included within the exception under subsection (b) below); or
- (iii) from a Conduit Publisher Property or Source if Microsoft provides notice that it will not support such Conduit Publisher even through a [***]; and
- (b) In addition to the exceptions set forth in subsection (a) above, Conduit may elect to direct up to [***] during any Reporting Period to other providers of Algorithmic Search Services or Paid Search Services on Personal Computers [***].

3.1.3 Notification Process and Data Obligations. In the event Conduit directs any [***] to another provider during the Initial Two-Year Period as contemplated by Section 3.1.2(a)(ii)-(iii) or 3.1.2(b), Conduit will provide Microsoft with written notice identifying the Conduit Publisher and the third party provider.

3.1.4 Reporting Related to [***] Exception. On or before the 20th day following each calendar month during each Reporting Period, Conduit will provide Microsoft a written report setting forth, for such calendar month, whether or not Conduit has exceeded the [***] Exception, based upon (a) [***] directed to the Services, as reported by Microsoft to Conduit (which number Microsoft shall also report to Conduit in connection with Microsoft's reporting obligations under Section 4.2.1, and which, for purposes of calculating and reporting the [***] Exception, may not be subsequently revised downward); and (b) [***] directed to alternative providers pursuant to Section 3.1.2(b), as reported by such alternative providers to Conduit (and, to the extent that information reported by such alternative providers does not fully or accurately describe U.S. Queries, as reflected in Conduit's records). If the Services are unavailable for any period of time, the Parties will mutually agree on an estimate of the number of [***] that would have been directed to the Services during such time and Microsoft will include such estimated number of [***] in its reporting. In addition, if Conduit exceeds the [***] Exception on average during two consecutive Reporting Periods, Conduit will provide Microsoft a written report specifying the average Alternative Provider Percentage (as described in Section 3.1.5) for such two Reporting Periods on or before the 20th day following the last calendar month of the second such consecutive Reporting Period (such a Conduit report, an "Alternative Provider Percentage Report"). The only information that Conduit or any Designated Third Party (as described in the next sentence) shall report to Microsoft shall be whether or not (but not the percentage) Conduit has exceeded the [***] Exception or, if and when required in the previous sentence, the Alternative Provider Percentage. Microsoft may engage, at its sole expense, a qualified accounting firm (one of the big 4 accounting firms) of its choice and approved by Conduit (a "Designated Third Party") to review on a monthly basis (or less frequently if Microsoft so elects) (i) the information provided to Conduit by Microsoft or any alternative provider and any other information which was used by Conduit to create report(s) Conduit provided to Microsoft with respect to the previous month (or longer period if Microsoft so elects) and (ii) any additional data received by Conduit that would be relevant to confirming the contents of Conduit's reports to Microsoft (but without auditing or otherwise investigating the underlying data used by Microsoft or any alternative provider to assemble such information). The Designated Third Party will enter into written confidentiality agreements with Microsoft and Conduit that are reasonably sufficient and standard in the industry with respect to protection of the confidentiality of relevant data.

3.1.5 Violation of [***] Exception. In the event that the average percentage of [***] directed to alternative providers pursuant to Section 3.1.2(b) (the "Alternative Provider [***]") exceeds the [***] Exception during any Reporting Period, and the Alternative Provider Percentage for such Reporting Period and the subsequent Reporting Period, calculated as an average of such two Reporting Periods together) also exceeds the [***] Exception, then, as Microsoft's sole and exclusive remedy, [***] follows: (i) for each [***] point or portion thereof, up to [***] percentage points (i.e., up to a [***] Alternative Provider [***]), by which the [***] Exception was exceeded (as an average across the [***] relevant Reporting Periods), the [***] for each month during the applicable Reporting Periods will be [***]; (ii) for each additional [***] point or portion thereof, up to [***] points (i.e., for Alternative Provider [***] above [***] and up to [***]), by which the [***] Exception was exceeded (as an average across the two relevant Reporting Periods), the [***] will be reduced by [***]; and (iii) for each [***] thereof above [***] (i.e., for Alternative Provider [***]), by which the [***] Exception was exceeded (as an average across the two relevant Reporting Periods), [***]. For example: [***]. (B) If, instead, [***] were directed to alternative providers pursuant to Section 3.1.2(b) during the first Reporting Period, and [***] were directed to alternative providers during the second Reporting Period, the [***] would be [***] and [***] Exception-Based Adjustment would apply to any months during such Reporting Periods. A [***] Exception-Based Adjustment will apply only once (if at all) for any Reporting Period, and if the Alternative Provider [***] for an individual Reporting Period has been taken into consideration in applying such an adjustment, calculation of potential future [***] Exception-Based Adjustments will be made only with respect to subsequent Reporting Periods (for instance, in Example (A) above, there would be no further adjustments to the [***] for any month in the second Reporting Period and the Parties will start over counting in the third Reporting Period). If a Microsoft report of [***] under Section 3.1.4 and Section 4.2.1 is materially inaccurate or if Microsoft fails to provide such a report within three weeks of the due date, then this Section 3.1.5 shall not apply for the inaccurately or untimely reported month(s) and the parties will work together in good faith and equitably modify the application of the [***] Exception-Based Adjustments for the applicable Reporting Periods and/or modify the Reporting Periods.

3.1.6 Application of [***] Exception-Based Adjustments. Microsoft will automatically receive [***] by which Microsoft's payments to Conduit as calculated under Section 4.1.1 for any Reporting Period (without applying a [***] Exception-Based Adjustment) exceed the amount that would have been payable by Microsoft after applying the [***] Exception-Based Adjustment to the [***] for such Reporting Period. Microsoft will be entitled to submit an amended monthly report to Conduit setting forth Microsoft's calculation of such credit [***] after receiving an Alternative Provider [***] from Conduit (notwithstanding anything to the contrary in Section 4.2.1). Conduit will submit an [***] to Microsoft reflecting any [***] to Microsoft pursuant to an amended monthly report [***] after Microsoft submits such an [***]. Conduit's [***] will apply any such [***] in full to all amounts otherwise payable by Microsoft to Conduit in the then-current monthly billing cycle under this Agreement. If [***] received by Microsoft under this Section 3.1.6 exceeds the amounts otherwise payable by it to Conduit in such billing cycle, Conduit's subsequent monthly invoice will [***] to the amounts payable by Microsoft to Conduit during the subsequent billing cycle, and if any [***] after one such subsequent billing cycle, Conduit will pay an amount [***] to Microsoft within [***] after the end of such subsequent billing cycle.

3.1.7 End User Location. Conduit will use good faith, commercially reasonable efforts to determine where each End User is located.

3.1.8 Use of Other Services. For clarity, subject to Sections 3.1.1, 3.1.2, 3.1.3 and 3.1.4 (each of which is applies to Conduit in accordance with its terms), no obligation, restriction or requirement in this Agreement will apply to Conduit with respect to any third-party provider of Algorithmic Search Services or Paid Search Services or to Conduit's access, use or implementation of third party Algorithmic Search Services or Paid Search Services (including any obligation, restriction or requirement in the Agreement regarding any Source, Query or Results Page)."

2.2 Section 3.2 of the Agreement is hereby amended and restated in its entirety as follows:

"3.2 Preferred Provider. During the Initial Two-Year Period in the United States, Conduit will be Microsoft's preferred provider of third-party customizable toolbar applications. Microsoft shall refer to Conduit all third parties who desire to distribute a customizable toolbar (as opposed to a Bing toolbar developed or operated by or on behalf of Microsoft or any of its Affiliates, whether Bing-branded or co-branded) in the United States (each a "Referral") and shall provide Conduit with the names, address, phone number and email address of each Referral, within two Business Days of Microsoft's learning of such Referral's desire. During the Initial Two-Year Period, Microsoft will not refer a Referral to any provider other than Conduit, unless such Referral affirmatively, and independently of any suggestion or influence by Microsoft, indicates its desire not to work with Conduit."

3. Compensation and Payment.

3.1 [***]. Within [***] of the Amendment Effective Date, [***].

3.2 [***].

3.2.1 Section 4.1.1 of the Agreement is hereby amended and restated in its entirety as follows:

“4.1.1 Payments During Initial Two-Year Period.

(a) [***]. For each calendar month during the Initial Two-Year Period and subject to Section 4.1.1(b) below, Microsoft shall pay to Conduit a [***]. For example, if there were [***]. Microsoft will implement and maintain throughout the Term all technologies necessary to accurately count, track and report [***].

(b) [***]. Microsoft will, during the Initial Two-Year Period, pay to Conduit [***] that Microsoft’s [***] this Agreement [***]. During the Initial Two-Year Period, [***] each (such amount, or any increased monthly amount as may be calculated in accordance with the next sentence, [***]. If, during any calendar month during the Initial Two-Year Period, [***] Two-Year Period [***]. If, in any calendar month the [***] equals the [***] provided for above) then, [***]. For example, [***]. If then [***].

(c) [***] on a monthly basis as set forth below [***]. The sum of [***] shall [***] in any calendar month. The total [***] shall be calculated as follows:

(i) [***]

(ii) [***]

(iii) [***]

(iv) [***]

(v) As an example of the application of this subsection (c), if in a given month [***]

(d) [***]. For any calendar month during which, [***] Conduit the following [***]

[***]

By way of example:

If there are [***]

(e) [***]. The calculation of [***] and [***] for a particular calendar month during [***] be done by Microsoft at the end of such month and included in the monthly report(s) described in Section 4.2.1.”

3.2.2 Section 4.1.2 of the Agreement is amended and restated in its entirety as follows:

“4.1.2 [***]. Microsoft shall pay Conduit the amounts under subsections (a) and (b) below:

(a) [***].

Conduit [***].

(i) For each calendar month during the period from [***], Microsoft shall pay Conduit [***]. For example [***]

(ii) For each calendar month during the period [***], Microsoft shall pay Conduit, [***].

(b) [***] for each calendar month [***], Microsoft shall pay to Conduit [***] from Personal Computers [***].”

(c) [***]. The calculation of the payments due in accordance with this Section 4.1.2 for a particular calendar month [***] will be done by Microsoft [***] and included in the [***] report(s) [***].

(d) [***]. For each calendar month [***], if the [***] for such month [***], the [***], as applicable, [***]. For example, if the [***] means the [***]. Microsoft will report the [***] to Conduit in its first [***] report under Section 4.2.1 following the [***]. In each [***] report thereafter, Microsoft shall report [***]”

3.3 [***]. The Parties acknowledge and agree that, (a) as [***]; and (b) in light of the foregoing and applying the Agreement, as amended by this Amendment, [***] as reflected in Exhibit [***] Microsoft shall pay Conduit the [***]. Microsoft represents and warrants [***].

3.4 Exhibit J. Exhibit J attached hereto is added to the Agreement.

3.5 Section 4.1.4. Section 4.1.4 of the Agreement (Post-Override Payments) is deleted in its entirety.

3.6 Section 4.2.1. The words “Exhibit I” in Section 4.2.1 are deleted and replaced with “Section 2.6.”

3.7 Disputed Amounts. Section 4.3 of the Agreement is amended and restated in its entirety as follows:

“4.3 Disputed Amounts; Breach of Payment and Reporting Obligations.

4.3.1 Disputed Amounts. Delivery or payment of an invoice without asserting a dispute is not a waiver of any claim or right by either Party to dispute such amount. In the event of a Dispute (as defined in Section 12.1), Microsoft may not under any circumstances, and regardless of the existence or outcome of any Expedited Relief Process (as defined in Section 4.3.3), withhold more than an absolute maximum of [***] any invoiced amounts pending the resolution of such Dispute, provided that such invoiced amounts are submitted in material compliance with and contain all material information required by this Agreement.

4.3.2 Failures to Report. In the event that Microsoft fails to provide a timely and materially complete and accurate [***] report in accordance with Section 4.2.1, then without limiting Conduit’s other rights and remedies and on a provisional basis until such report is provided, Conduit may invoice Microsoft and Microsoft shall pay the average of the invoiced amounts for the immediately preceding three calendar months. When such report is provided it shall be reconciled against such provisional payment and Microsoft shall promptly pay Conduit the amount of any underpayment or deduct the amount of any overpayment against subsequent payments under the Agreement.

4.3.3 Disputes Regarding Payment Obligations. All Disputes involving nonpayment of invoices under this Agreement ("Nonpayment Disputes," which term, for the avoidance of doubt, includes any nonpayment of an invoice in connection with a [***] as defined in Section 4.3.4 and any nonpayment of an invoice issued under Section 4.3.2) will, following written notice by the Party raising the Dispute to the other Party setting forth the details of the Dispute and any proposed solution or compromise, be resolved exclusively through the good faith negotiation of the Parties or in binding arbitration. The governing arbitration procedures shall be those described in this Section 4.3.3 and the Commercial Arbitration Rules of the American Arbitration Association (AAA), including, if invoked as described below, those provisions for interim relief provided in Rule 34 and Optional Rules O thereof (the "Expedited Relief Process") in San Francisco, California. To the extent not inconsistent with the previous sentence or with effectuation of the Expedited Relief Process contemplated therein, the parties, AAA and arbitrator(s) will apply the provisions of Section 12.2, using the AAA equivalent rules in lieu of JAMS rules. Notwithstanding Section 12.1 and 12.2, neither Party will have any remedy in court with respect to Nonpayment Disputes except those sought in aid of arbitration (e.g., an order compelling arbitration). In the event of a Nonpayment Dispute, regardless of whether the Expedited Relief Process is invoked at the commencement thereof:

- (a) the provisions of Sections 12.1.1 and 12.1.2 will not apply;
- (b) the Nonpayment Dispute will immediately after written notice thereof be escalated to an officer of each Party and they will have 15 days from the date of escalation to attempt to resolve the dispute, acting in good faith;
- (c) if the Nonpayment Dispute is not resolved within such time period, either Party thereafter may invoke arbitration remedies and either Party (as the "Initiating Party") may elect for such Dispute to be reviewed under the Expedited Relief Process (and the other Party may not contest such an election), in which case the Initiating Party may commence a proceeding for emergency relief, the other Party will be required to respond to the initial motion for relief within seven (7) days, the Initiating Party will be required to reply to the response within seven (7) days, the arbitration hearing will occur within seven (7) days after the reply is submitted, and the arbitrator will issue a decision within seven (7) days after the hearing. The arbitrator in such an Expedited Relief Process shall automatically award interim monetary and injunctive relief (without requiring a bond) compelling payment to Conduit of a minimum of [***] of all unpaid invoices submitted in material compliance with and containing all material information required by this Agreement. In addition, arbitrator in such an Expedited Relief Process shall award such further amounts as to which either Party establishes a substantial likelihood of prevailing on the merits. In the Expedited Relief Process, the arbitrator will not require either Party to establish proof that it would be immediately or irreparably harmed or damaged absent such interim relief nor consider the asserted adequacy of any alternative remedy. The Parties intend for this subsection (c) to contractually permit either Party to pursue a remedy providing immediate payment, rather than having such recourse available only after completion of an arbitration proceeding. Payments made pursuant to any arbitral award of interim relief may be subsequently adjusted in accordance with further arbitral proceedings regarding the applicable Dispute or as the Parties may otherwise agree in connection with settling the applicable Dispute;

(d) the arbitrator(s) will award (in place of, and not in addition to, the interest at commercial rates referenced in Section 12.2.4(b)) pre- and post-award interest at the rate of [***] per month with respect to any amounts determined by such arbitration to be overdue in payment by Microsoft to Conduit;

(e) notwithstanding any other provision of this Agreement, in the event that an arbitration of any Nonpayment Dispute is initiated at the AAA, any other arbitration relating to this Agreement shall be consolidated to proceed at the AAA in conjunction therewith, provided, however, that if the members of an arbitral tribunal have been fully and finally constituted in a JAMS arbitration relating to this Agreement, any arbitration of a Nonpayment Dispute commenced thereafter will proceed before such previously constituted panel, which shall adhere to the procedures and timelines for the Expedited Relief Process set forth in Section 4.3.3;

(f) the parties and arbitrator shall make best efforts to finally complete a final award in any arbitration of a Nonpayment Disputes as expeditiously as possible, but in all events within nine (9) months after initiation of such arbitration; and

(g) the arbitrator(s) shall also require that that all costs of arbitration and all reasonable attorneys' fees and costs incurred in connection with any arbitration of any Nonpayment Dispute by the substantially prevailing Party be paid by the other Party, notwithstanding anything to the contrary in Section 12.2.4.(b) or any other provision of this Agreement.

4.3.4 [***] Exception-Related Disputes. All Disputes regarding or related to the application or calculation of a [***] Exception-Based Adjustment (a "[***] Exception-Related Dispute") will be resolved exclusively through the good faith negotiation of the Parties or in the binding arbitration procedures described in Section 12.2; provided that either Party may elect (which election the other Party may not contest) that the timelines, but not the discovery-related procedures, set forth in the Expedited Procedures as defined in the JAMS Comprehensive Arbitration Rules and Procedures then in effect (as referenced in Section 12.2) shall apply. Notwithstanding Section 12.1 and 12.2, neither Party will have any remedy in court with respect to a [***] Exception-Related Dispute except those sought in aid of arbitration (e.g., an order compelling arbitration). In the event of a [***] Exception-Related Dispute (a) the provisions of Sections 12.1.1 and 12.1.2 will not apply; (b) the [***] Exception-Related Dispute will immediately be escalated to an officer of each Party and they will have 15 days from the date of escalation to attempt to resolve the dispute, acting in good faith; and (c) if the [***] Exception-Related Dispute is not resolved within such time period, either Party thereafter may invoke the arbitration remedies permitted under Section 12. If such an arbitration finds that either Party owes any amount to the other Party with respect to a [***] Exception-Related Dispute, the arbitrator(s) will award (in place of, and not in addition to, the interest at commercial rates referenced in Section 12.2.4(b)) pre- and post-award interest at the then-current U.S. prime rate (as published by the Wall Street Journal) plus [***] per year with respect to any amounts determined by such arbitration to be overdue in payment by one Party to the other Party.

4.3.5 If either Party does not pay all amounts due to the other Party under an interim or final arbitral award within ten (10) days of such award being issued in writing in connection with a Dispute, then notwithstanding anything to the contrary in Section 12 of the Agreement or this Section 4.3, the Party to whom such amounts are owed may pursue enforcement of such award in any court of competent jurisdiction.”

4. Termination. Section 15.3 of the Agreement is deleted in its entirety and all references thereto in the Agreement are stricken.

5. Exhibit G and Exhibit D. Exhibit G is deleted in its entirety. The title of Exhibit D is deleted in its entirety and replaced with the following: [***] In addition, the title of the first table in Exhibit D is deleted and replaced with the following: [***] Month.”

6. Mutual Release.

6.1 By Conduit. Conduit, on behalf of itself and each of its officers, directors, employees, and Affiliates (the “Conduit Releasing Parties”), hereby irrevocably and unconditionally releases and forever discharges Microsoft and each and all of its former or present directors, officers, agents, consultants, shareholders, investors, supervisors, employees, representatives, attorneys, and their successors and assigns and all persons acting by, through, under, or in concert with any of them (the “Microsoft Released Parties”) from any and all charges, demands, complaints, claims, proceedings, causes of action, orders, obligations, contracts, agreements, promises, debts, liabilities, controversies, losses, damages, costs and expenses (including attorneys’ fees and costs actually incurred) of any kind or nature, whatsoever, fixed or contingent, whether known or unknown, suspected or unsuspected, both at law and in equity, which Conduit or its Affiliates now has, has ever had, or may hereafter have against the Microsoft Released Parties or any of them relating to or arising from or in connection with the Agreement (including the negotiation and formation of the Agreement) prior to the Amendment Effective Date (the “Conduit Claims”). Conduit, on behalf of itself and each of the Conduit Releasing Parties, covenants and agrees never to commence, prosecute, or cause, permit, or advise to be commenced or prosecuted on behalf of Conduit or any of the Conduit Releasing Parties, any action, suit or proceeding based upon any Conduit Claim, and Conduit shall procure that the other Conduit Releasing Parties shall comply with the terms of this Section 6.1 as if they were a party to it.

6.2 By Microsoft. Microsoft, on behalf of itself and each of its officers, directors, employees, and Affiliates (the “Microsoft Releasing Parties”), hereby irrevocably and unconditionally releases and forever discharges Conduit and each and all of its former or present directors, officers, agents, consultants, shareholders, investors, supervisors, employees, representatives, attorneys, and their successors and assigns and all persons acting by, through, under, or in concert with any of them (the “Conduit Released Parties”) from any and all charges, demands, complaints, claims, proceedings, causes of action, orders, obligations, contracts, agreements, promises, debts, liabilities, controversies, losses, damages, costs and expenses (including attorneys’ fees and costs actually incurred) of any kind or nature, whatsoever, fixed or contingent, whether known or unknown, suspected or unsuspected, both at law and in equity, which Microsoft or its Affiliates now has, has ever had, or may hereafter have against the Conduit Released Parties or any of them relating to or arising from or in connection with the Agreement (including the negotiation and formation of the Agreement) prior to the Amendment Effective Date (the “Microsoft Claims”). Microsoft, on behalf of itself and each of the Microsoft Releasing Parties, covenants and agrees never to commence, prosecute, or cause, permit, or advise to be commenced or prosecuted on behalf of Microsoft or any of the Microsoft Releasing Parties, any action, suit or proceeding based upon any Microsoft Claim, and Microsoft shall procure that the other Microsoft Releasing Parties shall comply with the terms of this Section 6.2 as if they were a party to it.

6.3 Waiver. Each Party has been advised of the existence of Section 1542 of the California Civil Code which provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known to him or her must have materially affected his or her settlement with the debtor.

Each Party hereby irrevocably waives and relinquishes all rights and benefits which it has or may have under California Civil Code, Section 1542, as well as any other Law, as it pertains to the general releases above, and acknowledges and agrees that this waiver is an essential and material term of this Amendment, and that without such waiver this Amendment would not have been entered into. Each Party represents to the other Party that it has received the advice of its legal counsel and understands and acknowledges the significance and consequence of this waiver of Section 1542.

6.4 Intended Beneficiaries. Each of the Microsoft Released Parties and the Conduit Released Parties are intended third-party beneficiaries of this Section 6 and shall be entitled to enforce the releases directly against the releasing Party and each of its Affiliates.

7. Representations and Warranties. Each of the Parties hereto represents, warrants and covenants to the other as of the Amendment Effective Date that (a) it is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation; (b) it has the corporate power and authority to enter into this Amendment and the transactions contemplated hereby, the execution, delivery and performance of this Amendment and the transactions contemplated hereby, have been duly authorized by all necessary corporate action by such Party; (c) it has thoroughly analyzed the provisions of this Amendment and their implications, has received and relied solely upon the advice of its legal counsel and experts (and not upon any information provided by the other Party) and understands and acknowledges the significance and consequences of this Amendment; and (d) it has not transferred any of the claims identified in Section 6.1 and Section 6.2, as applicable, to any other party.

8. Miscellaneous. This Amendment will be governed and construed, to the extent applicable, in accordance with the laws of the State of New York, without regard to its conflict of law principles. Sections 3.1 and 3.3 of this Amendment (with respect to any unpaid amounts), and Sections 6, 7 and 8 of this Amendment shall survive the expiration or termination of the Agreement. This Amendment may be executed in multiple counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument. This Amendment may be amended or modified only by a written agreement that (a) refers to this Amendment; and (b) is executed by an authorized representative of each Party. This Amendment shall be binding on the parties hereto and their respective personal and legal representatives, successors, and permitted assigns. Except as expressly set forth herein, the Agreement remains in full force and effect and this Amendment shall not be construed to alter, amend or change any of the other terms or conditions set forth in the Agreement. To the extent of any conflict between this Amendment and any provisions of the Agreement, this Amendment shall control with respect to the subject matter hereof.

[Signature page to follow]

IN WITNESS WHEREOF, the Parties by their duly authorized representatives have executed this Amendment as of the Amendment Effective Date.

CONDUIT LTD.

MICROSOFT ONLINE, INC.

By:/s/ Dror Erez
Name: Dror Erez
Title: LTO

By: _____
Name: _____
Title: _____

/s/ Conduit Ltd
C.N. 513669671

By:/s/ Ronen Shilo
Name: Ronen Shilo
Title: CEO

[Signature Page to
Amendment]

THIS EXHIBIT WAS OMITTED AND FILED SEPARATELY
WITH THE SECRETARY OF THE COMMISSION PURSUANT TO AN APPLICATION FOR
CONFIDENTIAL TREATMENT UNDER RULE 24b-2 OF THE SECURITIES EXCHANGE
ACT OF 1934; [***] DENOTES OMISSIONS

EXHIBIT J

[***]

SPLIT AGREEMENT

SPLIT AGREEMENT, dated as of September 16, 2013 (this "Agreement"), between **ClientConnect Ltd.**, a company organized under the laws of the State of Israel (the "Company"), and **Conduit Ltd.**, a company organized under the laws of the State of Israel ("Conduit").

W I T N E S S E T H:

- WHEREAS** Conduit and its subsidiaries are, among other things, engaged in the Business (as defined below);
- WHEREAS** the Business is conducted with certain assets and liabilities of Conduit and its subsidiaries;
- WHEREAS** Conduit has decided to spin-off the Business (the "Split") and caused the Company to be formed for the purpose of carrying on the Business; and
- WHEREAS** Conduit desires to transfer and assign to the Company, and the Company desires to assume from Conduit, the Transferred Assets and Assumed Liabilities (as hereinafter defined) and Conduit and the Company further desire to grant to each other rights and undertake certain covenants, all as more specifically provided and upon the terms and subject to the conditions set forth herein.

NOW, THEREFORE the parties hereby agree as follows:

1. DEFINITIONS

1.1. Certain Definitions. For purposes of this Agreement, the following terms shall have the meanings specified in this Section 1.1:

1.1.1. "Accounts Receivable" means all accounts receivable and accumulated revenues from partners, customers or others, in accordance with GAAP, including the parties hereto and their Affiliates (any of the foregoing persons to be generally referred to herein as "customers") related to or arising out of the Business, the Products or the Transferred Assets.

1.1.2. "Affiliate" means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person, and the term "control" (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities, by contract or otherwise. For purposes of this Agreement, Conduit and its Subsidiaries (other than the Transferred Subsidiaries), on the one hand, and the Company and the Transferred Subsidiaries, on the other hand, shall not be deemed Affiliates of one another.

1.1.3. "Business" means the operations and activities currently conducted by Conduit and the Transferred Subsidiaries of research, development, marketing, sale, distribution, maintenance, provision of services for, the products, applications, technologies or solutions described in Schedule 1.1.3 (the "Products"), including all works-in-progress and in development, and as shall be conducted as of the Closing Date by Conduit and the Transferred Subsidiaries.

1.1.4. "Business Day," means any day of the year on which banking institutions in Tel-Aviv-Jaffa, Israel, are generally open to the public for conducting business and are not required by law to close.

1.1.5. “Consents” means consents, approvals, requirements, exemptions, orders, waivers, allowances, novations, clearances, authorizations, declarations, filings, registrations and notifications.

1.1.6. “Consultants” means all Persons providing services to Conduit or any of its Subsidiaries in connection with the Business that have consented in writing to be transferred to the service of the Company as of the Closing, as listed in Schedule 1.1.6, whether engaged under a consulting Contract, Contract with man-power companies or otherwise. Schedule 1.1.6 may be updated by Conduit and the Company by removing or adding individuals to it, at any time prior to Closing, to reflect the individuals actually transferred with the Business as of the Closing.

1.1.7. “Contract” means with respect to any Person, all agreements, undertakings, engagements, contracts, instruments, obligations, arrangements, promises, understandings and commitments (in each case, whether written or oral and whether express or implied) (i) to which such Person is a party, (ii) under which such Person has any rights, (iii) under which such Person has any Liability or (iv) by which such Person, or any of the assets or properties owned or used by such Person, is bound, such as (as applicable): license agreements, manufacturing agreements, supply agreements, purchase orders, sales orders, distributor agreements, sales representation agreements, warranty agreements, indemnity agreements, maintenance and service agreements, employment and consulting agreements, guarantees, credit agreements, notes, mortgages, security agreements, financing leases, leases, comfort letters, derivative agreements, confidentiality agreements, joint venture agreements, partnership agreements, binding open bids and RFIs, RFPs and the like, powers of attorney, binding memoranda of understanding and binding letters of intent, including, in each case, all amendments, modifications and supplements thereto and Consents thereunder.

1.1.8. “Damages” means any and all losses, Liabilities, claims, damages, deficiencies, diminutions in value, fines, payments, Taxes, costs and expenses, whether asserted or reasonably expected to be asserted, fixed, absolute or contingent, matured or un-matured, accrued or un-accrued, liquidated or un-liquidated or due or to become due, and whenever or however arising and whether or not resulting from third party claims (including the reasonable costs and expenses of any and all Legal Proceedings or other legal matters); all amounts paid in connection with any demands, assessments, judgments, settlements and compromises relating thereto; interest and penalties with respect thereto; and costs and expenses, including reasonable attorneys', accountants' and other experts' fees and expenses, incurred in investigating, preparing for or defending against any such Legal Proceedings or other legal matters or in asserting, preserving or enforcing an indemnified party's rights hereunder.

1.1.9. “Documents” means all files, documents, instruments, correspondence, papers, books, reports, records, tapes, microfilms, photographs, letters, e-mails archives (solely of Employees and Consultants), budgets, forecasts, ledgers, journals, customer lists, customer files, supplier lists, regulatory filings, operating data and plans, technical documentation (design specifications, functional requirements, operating instructions, logic manuals, flow charts, etc.), user documentation (installation guides, user manuals, training materials, release notes, working papers, etc.), marketing and advertising documentation (sales brochures, flyers, pamphlets, promotional materials, web pages, etc.), and other similar materials, in each case in whatever form, including electronic databases, printed and other electronic media.

1.1.10. “Employees” means the individuals who are employed by Conduit or its Subsidiaries as of the date hereof in connection with the Business that have consented in writing to be transferred to the employment of the Company as of the Closing, as listed in Schedule 1.1.10. Schedule 1.1.10 may be updated by Conduit and the Company by removing or adding individuals to it, at any time prior to Closing, to reflect the individuals actually transferred with the Business as of the Closing.

1.1.11. “Employment Agreement” each employment, consulting agreement or other engagement entered into between Conduit and its Subsidiaries, on the one side, and any Employee or Consultant, as the case may be, on the other side, or applicable to such Employees or Consultants, and each Contract relating to commissions, bonuses, benefits and other compensation terms or other Plan applicable to the Employees or Consultant, as the case may be.

1.1.12. “GAAP” means Generally Accepted Accounting Principles in effect in the United States on the date on which they are to be applied pursuant to this Agreement, applied consistently throughout the relevant periods.

1.1.13. “Governmental Body” means any: (a) nation, principality, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature, (b) federal, state, local, municipal, foreign or other government, (c) governmental, quasi governmental or regulatory body of any nature, including any governmental division, subdivision, department, agency, bureau, branch, office, commission, council, board, instrumentality, organization, unit, or body, (d) court, public or private arbitrator or other public tribunal or (e) fiscal, revenue, customs or excise authority, body, agency or official.

1.1.14. “Intellectual Property” means any and all industrial and intellectual property rights worldwide and all rights associated therewith, whether registered or not, including (a) all inventions (whether patentable or un-patentable and whether or not reduced to practice), invention disclosures, discoveries, improvements, including those that (i) are included in any Patent claim, (ii) are subject matter capable of being reduced to a patent claim in a reissue or reexamination proceedings brought on a Patent, and/or (iii) could have been included as a claim in a Patent; and all patents (including utility and design patents, industrial designs and utility models), patent applications, and all other rights of inventorship, worldwide, together with all reissuances, renewals, extensions, provisionals, continuations, continuations-in-part, continuing prosecution applications, requests for continuing examinations, divisions, revisions, supplementary protection certificates, extensions and re-examinations thereof; and any registrations of any of the foregoing, worldwide, including all priority rights (collectively, “Patents”); (b) trademarks, common law trademarks, service marks, business and trade names, service names, brand names, trade dress rights, logos, Internet domain names and URL addresses and general-use e-mail addresses, together with the goodwill associated with any of the foregoing throughout the world, and all applications, registrations and renewals thereof (collectively, “Marks”); (c) copyrights and registrations and applications therefor, including in and to works of authorship, moral rights, mask works, mask work registrations and applications therefor, and any equivalent or similar rights in semiconductor masks, layouts, architectures or topology, and all other rights corresponding thereto throughout the world, whether published or unpublished, including rights to prepare, reproduce, perform, display and distribute copyrighted works and copies, compilations, collective works, and derivative works thereof (collectively, “Copyrights”); (d) all trade secrets and confidential business and technical or commercial information (including ideas, research and development, data relating to inventions, results, reports, know-how, formulas, technology, compositions, manufacturing and production processes and techniques, technical data, engineering, production and other designs, plans, drawings, engineering notebooks, industrial models, software, specifications and customers databases) in any form, in each case, whether or not they constitute a “trade secret” as defined under applicable Law (collectively, “Trade Secrets”); (e) all (i) software, computer programs, including any and all software implementations of algorithms, models and methodologies, whether in Source Code or object code, (ii) computer-based databases and compilations, (iii) descriptions, flow-charts and other work product used to design, plan, organize and develop any of the foregoing, screens, user interfaces, report formats, firmware, development tools, templates, menus, buttons and icons, (iv) all versions, updates, corrections, enhancements and modifications related to any of the foregoing, and (v) all Documents (including, user manuals, training documentation, developer notes, comments and annotations) related to any of the foregoing (collectively, “Software”); (f) all computer and electronic data, data processing programs, documentation and software, both Source Code and object code (including flow charts, diagrams, descriptive texts and programs, computer print-outs, underlying tapes, computer databases and similar items), computer applications and operating programs and Network Identifiers; (g) all rights to sue for and remedies against past, present and future infringements, misappropriate or dilution of any or all of the foregoing and rights of priority and protection of interests therein under the Laws of any jurisdiction worldwide; (h) all copies and tangible embodiments of any or all of the foregoing (in whatever form or medium, including electronic media); and (i) all other proprietary, intellectual property and other rights relating to any or all of the foregoing, whether completed or works in progress.

1.1.15. “Law” means any federal, state, local, municipal, foreign or other law (including common law), statute, legislation, constitution, code, Order, edict, decree, proclamation, treaty, convention, directive, ordinance, rule, regulation, permit, ruling, determination, decision, interpretation or other requirement that is issued, enacted, adopted, passed, approved, promulgated, implemented or otherwise put into effect by or under the authority of any Governmental Body and is applicable to and binding upon the relevant Person.

1.1.16. “Legal Proceeding” means any judicial, administrative, mediation or arbitral action, cause of action, claim, demand, suit, litigation, proceeding (including civil, criminal, administrative, investigative or appellate proceeding), at law or in equity by or before any Governmental Body, arbitrator or mediator.

1.1.17. “Liability” means any and all claims, debts, liabilities, obligations and commitments of whatever nature, fixed, absolute or contingent, matured or un-matured, accrued or un-accrued, liquidated or un-liquidated or due or to become due, and whenever or however arising (including those arising out of any Contract or tort, whether based on negligence, strict liability or otherwise) regardless of whether the same would be required by GAAP to be reflected as a liability in financial statements or disclosed in the notes thereto.

1.1.18. “Lien” means any lien, pledge, security interest, charge, impairment of title, right of first refusal or other rights granted or created by Conduit or any of its Subsidiaries to third parties (other than licenses or rights of use in the ordinary course of business); it being clarified that when referring to a right of use or license from a third party, “Lien” shall only refer to the right of use or license and not to the underlying asset or right.

1.1.19. “Network Identifiers” means all internet protocol addresses and networks used by Conduit, related directly or indirectly, in whole or in part, to the Business, including without limitation, DNS domain names, e-mail addresses, world wide web (www) and http addresses, network names, network addresses, and services (such as mail or web-site) whether or not used or currently in service, and including all registrations relating thereto in or with all registration bodies or organizations.

1.1.20. “Open Source” means any Software code or other material that (i) contains, or is derived in any manner (in whole or in part) from, any software that is or is required to be distributed as freeware, free software, open source software, shareware, or similar licensing or distributing models; or (ii) is subject to any agreement or license with terms or conditions that impose any requirement that any software using, linked with, incorporating, distributed with, based on, derived from or accessing, the software: (A) be disclosed, made available or distributed in Source Code or object code form; (B) be licensed for the purpose of making derivative works and/or redistributable; (C) be licensed under terms that allow or permit any third party to decompile, recompile, update, modify, reverse engineering, reverse assembly or disassembly all or any part of the software or merge the software into any other software; or (D) be redistributable at no charge. Open Source includes, but is not limited to, any license which complies with the Open Source Initiative Corporation’s (OSI) open source definition or which is, or is equivalent to, a license approved by OSI, or software licensed or distributed under any of the following licenses or distribution models, or licenses or distribution models similar to any of the following: GNU’s General Public License (GPL) or Lesser/Library GPL (LGPL); the Artistic License (e.g., PERL); the Mozilla Public License(s); the Netscape Public License; the Berkeley Software Design (BSD) license including Free BSD or BSD-style license; the Sun Community Source License (SCSL) and the Sun Industry Standards License (SISL); an Open Source Foundation License (e.g., CDE and Motif UNIX user interfaces); the Apache Server license; and any licenses listed at <http://www.opensource.org/licenses>.

1.1.21. “Order” means any temporary, preliminary or permanent order, injunction, judgment, decree, edict, pronouncement, determination, reported decision, published opinion, verdict, sentence, stipulation, subpoena, ruling, writ, assessment or award that is or has been issued, made, entered, rendered or otherwise put into effect by or under the authority of any court, administrative agency or other Governmental Body or any arbitrator or arbitration panel or any Contract with any Governmental Body that is or has been entered into in connection with any Legal Proceeding.

1.1.22. “Permits” means any approvals, authorizations, consents, clearances, registrations, licenses, permits, qualifications, certificates or other authorizations of a Governmental Body.

1.1.23. “Person” means (whether or not a capitalized term) any individual, corporation, partnership, limited liability company, firm, joint venture, association, joint-stock company, trust, estate, unincorporated organization, Governmental Body or other entity, including, any party to this Agreement.

1.1.24. “Plan” means each plan, including any pension, retirement, money purchase, savings, profit sharing, annuity, deferred compensation, bonus, incentive (other than the Option Plan, stock option, stock bonus, stock appreciation, phantom stock, restricted stock, restricted stock unit and stock purchase), medical, dental, vision, hospitalization, long-term care, prescription drug and other health, employee assistance, cafeteria, flexible benefits, life insurance, short and long term disability, vacation pay, severance pay, other welfare and fringe benefit and similar plans, programs, understandings, arrangements or agreements, including without limitation all employee benefit plans, sponsored or maintained by any of Conduit or its Subsidiaries.

1.1.25. “Representative(s)” means, with respect to any Person, such Person's Affiliates and the respective directors, officers, employees, agents, consultants, advisors and other representatives, including legal counsel, accountants and financial advisors of such Person and its Affiliates, and the successors and assigns of any of the foregoing.

1.1.26. “Section 102 Trustee” means ESOP Trust Company Ltd. or any duly authorized successor thereto, as the trustee holding shares or options to purchase shares of Conduit in trust appointed by Conduit in accordance with the provisions of Section 102 of the Tax Ordinance.

1.1.27. “Section 350 Approval” means the approval by the District Court of Tel Aviv of a plan of arrangement under Section 350 of the Companies Law, 1999 for (inter alia) the transactions contemplated by this Agreement applied for by Conduit and in form and substance reasonably acceptable to the Company and Conduit.

1.1.28. “Source Code” means, collectively, any human readable Software source code, or any material portion or aspect of the Software source code, or any material proprietary information or algorithm contained, embedded or implemented in, in any manner, any Software source code.

1.1.29. “Subsidiary” of any Person means any other Person (i) of which the first Person owns directly or indirectly fifty percent (50%) or more of the equity interest in the other Person, or (ii) of which (or in which) an amount of the voting securities, other voting ownership or voting partnership interests of which is sufficient to elect at least a majority of its board of directors or other governing body (or, if there are no such voting interests, more than fifty percent (50%) of the equity interests of which) is directly or indirectly owned or Controlled by the first Person, by such Person with one or more of its Subsidiaries or by one or more of such Person’s other Subsidiaries, or (iii) in which the first Person has the contractual or other power to designate a majority of the board of directors or other governing body.

1.1.30. “Tax” or “Taxes” means (i) any and all taxes, charges, duties, contributions, withholdings, fees, levies, imposts or other assessments, reassessments, or mandatory payments of any kind whatsoever, whether direct or indirect, imposed by or payable to or accrued to the benefit of any federal, state, local or foreign tax authority and/or Governmental Body, including, without limitation, corporation taxes with respect to gross income, net income, gross receipts, license, payroll, employment, workers’ compensation, excise, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, capital stock, franchise, profits, withholding, social security (or similar), national health insurance, unemployment, disability, property, personal property, sales, use, transfer, registration, value added, business, ad valorem, duties, turnover, goods, production, occupancy, utility, services, municipal, real property, abandoned property under escheatment Laws, capital gain, transfer and gain, alternative or add-on minimum, estimated, or other taxes or mandatory payments of any kind whatsoever, including any interest, penalty, or addition thereto, whether disputed or not, (ii) any Liability for the payment of any amounts of the type described in clause (i) of this sentence by reason of membership in affiliated, consolidated, combined, unitary or similar Tax group by Contract, indemnity or otherwise, and (iii) any Liability for the payment of any amounts of the type described in clause (i) or (ii) of this sentence as a result of being a transferee of or successor to any Person (including under the provisions of Section 105 of the Tax Ordinance) or as a result of any express or implied obligation to assume such Taxes or to indemnify any other Person.

1.1.31. “Tax Ordinance” means the Israeli Tax Income Ordinance [New Version], 1961 together with the regulations and rules promulgated thereunder, as amended.

1.1.32. “Transaction Documents” means this Agreement and any other agreement, certificate, instrument, schedule, exhibit or document attached or ancillary hereto or thereto.

1.1.33. “Transferred Contracts” means all Contracts currently in effect or to be entered into after the date hereof and prior to the Closing relating to the Transferred Assets and/or the Business and/or to the operation of Conduit in connection with the Business to which Conduit is a party, including those listed on Schedule 2.1.4 hereto, but other than those included in the Excluded Assets and except for Transferred Intellectual Property Licenses.

1.1.34. “Transferred Copyrights” means the Copyrights relating to or embedded in the Transferred Software and its related Documents.

1.1.35. “Transferred Equipment” means personal computers used by the Employees or Consultants, IT equipment, research and development equipment, in each case, owned by Conduit and used for the conduct of the Business, as set forth in Schedule 2.1.2.

1.1.36. “Transferred Intellectual Property” means the Transferred Copyrights, Transferred Software, Transferred Patents, Transferred Trademarks, Transferred Trade Secrets and Transferred Network Identifiers, and, subject to the foregoing, any other Intellectual Property owned by Conduit and primarily used in the Business, if any.

1.1.37. “Transferred Intellectual Property Licenses” means, subject to Section 2.6 hereof, any rights of Conduit to use third party Intellectual Property primarily used in the Business (including, rights or licenses to agreements for development tools, Open Source and any other third party Intellectual Property which is embedded or used in or for the Transferred Assets or the Business, if any), including those listed on Schedule 1.1.37 hereto, but other than those licenses specifically included in the Excluded Assets.

1.1.38. “Transferred Network Identifier” means the Network Identifiers listed on Schedule 1.1.38, excluding any item set forth in Section 2.2.2.

1.1.39. “Transferred Patents” means the Patents listed on Schedule 1.11.1.39.

1.1.40. “Transferred Software” means the Software owned by Conduit and primarily used in the Business, including those set forth on Schedule 1.1.40.

1.1.41. “Transferred Subsidiary(ies)” means each of ClientConnect, Inc. (formerly, Conduit USA, Inc.), a corporation incorporated under the laws of the State of Delaware (the “US Subsidiary”) and ClientConnect B.V. (formerly, Conduit Connect B.V.), a company incorporated under the laws of the Netherlands (the “BV Subsidiary”), as the case may be.

1.1.42. “Transferred Trademarks” means the Marks listed on Schedule 1.1.42.

1.1.43. “Transferred Trade Secrets” means the Trade Secrets owned by Conduit and primarily used in the Business, including without limitation, those related to the Transferred Software and the Transferred Copyrights.

1.2. Terms Generally. The definitions in Section 1.1 shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The words “herein”, “hereof” and “hereunder” and words of similar import refer to this Agreement (including the schedules, certificate or documents ancillary to this Agreement) in its entirety and not to any part hereof unless the context shall otherwise require. All references herein to Sections and Schedules shall be deemed references to Sections of, and Schedules to, this Agreement unless the context shall otherwise require. Unless the context shall otherwise require, any references to any agreement or other instrument or statute or regulation are to it as amended and supplemented from time to time (and, in the case of a statute or regulation, to any successor provisions). Any reference to any supranational, national, federal, state, local, or foreign statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. Any reference in this Agreement to a “day” or a number of “days” (without explicit reference to “Business Days”) shall be interpreted as a reference to a calendar day or number of calendar days. If any action is to be taken or given on or by a particular calendar day, and such calendar day is not a Business Day, then such action may be deferred until the next Business Day.

2. **TRANSFER OF ASSETS; ASSUMPTION OF LIABILITIES**

2.1. **Transfer of Assets.** On the terms and subject to the conditions set forth in this Agreement, at the Closing, the Company shall accept and assume from Conduit, and Conduit shall transfer, assign, convey and deliver to the Company all of Conduit's right, title and interest in, to and under the Transferred Assets, free and clear of any Liens.

“**Transferred Assets**” shall mean the following:

2.1.1. the Transferred Intellectual Property and the Business Confidential Information (as defined in Section 5.7);

2.1.2. the Transferred Equipment listed on Schedule 2.1.2 hereto;

2.1.3. the Transferred Intellectual Property Licenses;

2.1.4. the Transferred Contracts, including those listed on Schedule 2.1.4(a) hereto, and all rights of Conduit under the Transferred Contracts, and all performance and other bonds, security and other similar deposits provided by third parties for the benefit of Conduit related to any of the Transferred Contracts and all rights in, to and under claims for refunds, rebates or other discounts due from suppliers or vendors and rights to offset in respect thereof under any of the Transferred Contracts, subject to the special treatment of those certain Transferred Contracts listed on Schedule 2.1.4(b), and as set forth therein;

2.1.5. all proposals submitted to, or discussions, negotiations and ongoing initiatives conducted by Conduit or its Subsidiaries prior to the date hereof with potential customers of and related to the Business which are still outstanding;

2.1.6. all product liability (including errors and omissions (E&O) insurance) or third party insurance proceeds to the extent received or receivable after the Closing in respect of any of the Transferred Assets;

2.1.7. all warranties and similar rights in favor of Conduit to the extent primarily benefiting any Transferred Asset or the Business;

2.1.8. any and all amounts owed (including interest accrued thereon) by any of the Transferred Subsidiaries to Conduit, if any;

2.1.9. the following financial assets primarily related to the Business and/or the Transferred Assets prepaid expenses and intercompany receivables or debt owed by any of the Transferred Subsidiaries to Conduit;

2.1.10. all rights and title to the Severance Funds (as defined in Section 5.5.3) and any Education Fund maintained for or on behalf of the Employees;

2.1.11. all rights to apply in any or all countries and regions of the world for Patents, certificates of invention, utility models, industrial design protections, design patent protections, or other governmental grants or issuances or registrations of any type related to the Products and the Transferred Assets, including any Transferred Intellectual Property, any improvements, enhancements and derivatives thereof as of the Closing, and the right, title and interest in any such application so filed or patents or other registration so obtained;

2.1.12. all past, present and future causes of action (whether known or unknown, and whether currently pending, filed or otherwise) and other enforcement rights primarily under, or on account of, the Business, the Products or any Transferred Assets, including, without limitation, all causes of action and other enforcement rights for damages, profits, royalties or other payments, injunctive relief, and any other remedies of any kind for past, current and future infringement, misappropriation or any violations of any one of the rights embodied in any of the Transferred Assets, including all rights of Conduit to any Legal Proceedings primarily related to the ownership, use or value of any Transferred Asset, any Assumed Liability or the Business (without derogating from Section 7);

2.1.13. all claims, causes of action, choices in action, rights of recovery and rights of set off pertaining to or arising out of the Transferred Assets or the Assumed Liabilities, whether before or after the Closing Date;

2.1.14. the 3,000 shares of Common Stock, par value \$0.01 per share, of Conduit US, and 180 shares of Conduit BV, representing all of the issued and outstanding share capital of the Transferred Subsidiaries (the “US Transferred Shares” and the “BV Transferred Shares”, respectively, and collectively, the “Transferred Subsidiaries Shares”);

2.1.15. all of the goodwill associated with the Business and/or any Transferred Assets;

2.1.16. all Documents that are primarily used or relate to the Business or any of the Transferred Assets;

2.1.17. all Permits used or held for use as of Closing in the Business or relating to the Transferred Assets (or any portion thereof) and listed on Schedule 2.1.17, except for Permits that are not transferable under Law; and

2.1.18. all other rights, assets and properties business, wherever located, real, personal or mixed, tangible or intangible, owned or used by Conduit and its Subsidiaries and primarily used in or relating to the Business.

The lists and schedules of Transferred Assets will be updated immediately prior to the Closing, to take into consideration additional Transferred Assets used, licensed, purchased, created, developed, or owned by Conduit during the period from the date hereof to the Closing Date. Any rights, assets, properties and business that fall within the above definition of Transferred Assets shall be deemed a Transferred Asset, notwithstanding the failure to list the same on any of the aforementioned lists and schedules.

2.2. Excluded Assets. Notwithstanding anything to the contrary in Section 2.1, the Transferred Assets shall not include, and Conduit is not transferring, assigning, conveying or delivering to the Company and the Company is not acquiring or accepting from Conduit, any of the following rights, properties or assets (the “Excluded Assets”):

2.2.1. Contracts in respect of services that relate generally to the operations of Conduit and not specifically with respect to the Business (such as, marketing agreements, placement agreements, man-power agreements, car lease framework agreements, mobile phone operators framework agreements, etc.), including those listed in Schedule 2.2.1 but other than those specifically indicated on Schedule 2.1.4, if any;

2.2.2. any Network Identifier or Mark that includes the word “conduit”;

2.2.3. any and all office equipment, telecom equipment, facsimiles, printers, scanners, servers, computers, hardware, and any material or machines and related peripherals, as well as all furniture, fixtures, furnishings, leasehold improvements, and other tangible personal property used, owned or leased by Conduit, used for the conduct of the Business, except to the extent included in the Transferred Equipment;

2.2.4. any Contracts the underlying service, product or right of which is the subject of a services or right of use granted to the Company under the Conduit Services Agreement, including without limitation, premises lease agreement;

2.2.5. all Accounts Receivable resulting from the conduct of the Business prior to or as of the Closing Date (whether or not paid by the Closing Date; e.g. an invoice issued in December 2013 or January 2014 with respect any Account Receivable arising until or as of the Closing Date that is to be paid after the Closing Date);

2.2.6. any cash, deposits, investments and securities (other than the Transferred Subsidiaries Shares);

2.2.7. all Permits used or held by Conduit, including corporate Permits that qualify Conduit to operate in any jurisdiction or Permits that relate to the operations of Conduit;

2.2.8. all Documents related solely to any Excluded Assets;

2.2.9. all of the goodwill associated with any Excluded Assets; and

2.2.10. all other rights, assets and properties business, wherever located, real, personal or mixed, tangible or intangible, owned or used by Conduit and its Subsidiaries and that are not primarily used in or relating to the Business.

2.3. Assumption of Liabilities. On the terms and subject to the conditions set forth in this Agreement, at the Closing, the Company shall assume all Liabilities that related to or arise from the Transferred Assets, the Products and/or the Business and/or the operation of the Business and/or the Transferred Subsidiaries, whether incurred prior to or after the Closing, and whether they arise out of facts or circumstances occurring prior to or after the Closing (the “Assumed Liabilities”), but excluding Excluded Liabilities.

Without limiting the generality of the foregoing, Assumed Liabilities shall include, without duplication:

2.3.1. any Liabilities in respect of any and all products or Software sold and/or purchased and/or distributed, and/or services performed and/or received by, or on behalf of, Conduit and its Subsidiaries in connection with the Business;

2.3.2. any Liabilities arising out of or in respect of the Business (whether prior to or after the Closing) and its operation by or on behalf of Conduit and its Subsidiaries prior to the Closing, excluding the Excluded Liabilities;

2.3.3. any amounts owed by Conduit to Perion Network Ltd. under that certain Publisher Agreement between Prize and Conduit dated August 12, 2013 with respect to the months November and December 2013;

2.3.4. any Liabilities whether arising under any Contract (excluding those included in the Excluded Assets), commitment, agreement, tort or otherwise, which arise from facts or circumstances occurring on prior to or after the Closing Date that are related to or arise from the Transferred Assets, the Products and/or the Business, excluding the Excluded Liabilities;

2.3.5. any Liabilities arising out, or in respect of, or to users of the Business, whether such users accepted the privacy or license terms (offline or online, including during installation, download or any other acceptance process) or not.

2.3.6. any Liability in respect of any proposals submitted to, or discussions, negotiations and ongoing initiatives conducted by Conduit or its Subsidiaries prior to the date hereof to potential customers of the Business;

2.3.7. any Liabilities arising out of, under or in connection with any Transferred Contracts or any other Transferred Asset which arise from facts or circumstances occurring prior to or after the Closing Date (whether or not incurred on or prior to the Closing Date), including, any default or breach by Conduit under such Transferred Contracts with respect to any period prior to Closing;

2.3.8. the obligations relating to those certain Transferred Contracts listed on Schedule 2.1.4(b) and as set forth therein;

2.3.9. any Liabilities and Damages that may arise from third party claims relating to the Transferred Intellectual Property, Transferred Intellectual Property Licenses or other Transferred Assets breaching, misappropriating, diluting or infringing, prior to Closing or (subject to Section 2.4.11) after the Closing, third party Intellectual Property;

2.3.10. other than as set forth in Section 2.4.11 below, any Liabilities in respect of any pending or threatened Legal Proceeding that relate to or arise from the Transferred Assets, the Products and/or the Business and/or the operation of the Business;

2.3.11. any and all amounts owed (including interest accrued thereon) by Conduit to any of the Transferred Subsidiaries and intercompany payables or debt owed by Conduit to any of the Transferred Subsidiaries;

2.3.12. all and any of the Liabilities to any Employees or Consultants (whether pursuant to Law, Contract or Plan), whether arising from facts or circumstances occurring prior to or after the Closing Date (including, without limitation, any obligation to deduct and contribute any amounts to any Plan, any obligation or assumed benefit described in Section 5.5, and any Liabilities arising in connection with the termination of their employment or engagement), excluding those set forth in Section 2.4.6;

2.3.13. all and any of the Liabilities to be assumed by the Company in accordance with Section 2.6;

2.3.14. any Liability arising from the assignment, transfer, conveyance or delivery of any Transferred Asset to the Company or any Affiliate thereof; and

2.3.15. any Liability arising out of, relating to or otherwise in respect of any Assumed Liability.

2.4. Excluded Liabilities. The Company will not assume or be liable for Liabilities of Conduit or relating to the Business, the Products or the Transferred Assets, except for the Assumed Liabilities (the "Excluded Liabilities"). Without limiting the generality of the foregoing, Excluded Liabilities shall include:

2.4.1. any obligation or Liability arising from any of Conduit's failure to perform any of the agreements or covenants contained in this Agreement or in any Transaction Document or incurred by Conduit in connection with the transactions contemplated by this Agreement or any Transaction Document;

2.4.2. any current liabilities (as defined under GAAP) included in the Working Capital Certificate (as defined in the Working Capital Financing Agreement), including all accounts payable and accrued expenses owed to third parties, arising out or in respect of the Business and its operation by Conduit and its Representatives for the period prior to the Closing, excluding as set forth in Sections 2.3.3 and 2.3.12;

2.4.3. any indebtedness for money borrowed arising out or in respect of the Business and its operation by Conduit and its Representatives for the period prior to the Closing, excluding as set forth in 2.3.11;

2.4.4. any amount, if any, by which the monies placed in the Severance Fund as of the Closing is less than the amounts that would have been required to be transferred and paid to Israeli Employees had their employment been terminated by Conduit or the Transferred Subsidiaries at the Closing;

2.4.5. any Liabilities incurred as a result of Conduit's breach of its obligations to pay salary or withhold Taxes under an Employment Agreement with an Employee or Consultant, solely with respect to the period prior to the Closing and/or any Legal Proceeding, pending or threatened, that any Employee or Consultant may have in connection with such breach against Conduit;

2.4.6. the payment of December 2013 salaries and all related benefits and Taxes, payable in the ordinary course of business;

2.4.7. any Liabilities for Taxes of or due by Conduit or its shareholders or its Subsidiaries or the Transferred Subsidiaries as a result of this Agreement and the transactions contemplated hereby;

2.4.8. any Liabilities for (i) Taxes of or due by Conduit or its Subsidiaries that relate to the Excluded Assets or Excluded Liabilities for any taxable periods, (ii) Taxes of or due by Conduit or its Subsidiaries that relate to the Business, Transferred Assets or the Assumed Liabilities for taxable periods (or portions thereof) ending on or before the Closing Date, including any Taxes arising as a result of the Split and Liabilities for previously exempt Taxes and (iii) payments under any Tax allocation, sharing or similar agreement (whether oral or written);

2.4.9. any Liabilities for incremental Tax that the Company (or an Affiliate thereof) is required to withhold under applicable law as a result of the failure of any shares or options of Conduit or shares issued thereunder that were purported to qualify for capital gain treatment under Section 102(b) of the Tax Ordinance to so qualify;

2.4.10. any and all of Conduit's and the Company's costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby, including any and all fees, costs and expenses (including, registration fees, Taxes and legal fees) incurred in order to record or register the transfer of the Transferred Assets to, and assumption of Assumed Liabilities by the Company (excluding any Third Party Intellectual Property Licenses);

2.4.11. any Liabilities and Damages in respect of the pending Legal Proceeding set forth in Schedule 2.4.11;

2.4.12. any Liabilities and Damages from third party claims by any Person alleging to be a holder of securities of Conduit and entitled to securities of the Company by virtue of the Split or this Agreement; and

2.4.13. any Liabilities and Damages that may arise after the Closing from third party claims relating to Conduit Derivative Work breaching, misappropriating, diluting or infringing Third Party Intellectual Property, solely to the extent such breach, misappropriation, dilution or infringement would not have occurred but for Conduit Derivative Work.

2.5. No Representations. The Transferred Assets are transferred by Conduit on an “as is” basis, namely, their state or condition on the date hereof and on the Closing Date, whether or not any fact, act or circumstance of any nature whatsoever relating thereto is known, disclosed or discussed, and regardless of any investigation, inquiry or disclosure that was or could have been made, and whether or not any fact or circumstance is different than expected by the Company, and without receiving or relying on any representations or warranties with respect to such matters from Conduit and its Representatives, except for Conduit’s title in the Transferred Assets being on the Closing Date free and clear of Liens. Neither Conduit or the Company, nor any of their respective Representatives, makes any representation or warranty, express, implied or statutory (all of which are hereby fully disclaimed) under this Agreement, whether with respect to itself, the Transferred Assets, Assumed Liabilities or the transactions contemplated by this Agreement or any other agreement contemplated hereby, including without limitation, any warranty of merchantability, fitness for a particular purpose, any standard compliance, title and non-infringement, or that any Software or other Transferred Assets will be uninterrupted or error free. No oral or written information or advice given by any party or its Representatives shall in any way modify the provision of this Section 2.5, except to the extent of a written agreement duly executed by the parties. Subject to the provisions of Section 7, Section 9.8 and Section 9.9 of this Agreement, in no event shall Conduit or its Representatives be liable for any Damage (including, but not limited to, procurement of substitute goods or services; loss of use, data, or profits; or business interruption) however caused and on any theory of liability, whether in contract, strict liability, or tort (including negligence or otherwise) arising in any way out of the use of the Transferred Assets or operation of the Business, even if advised of the possibility of such Damage.

2.6. Further Conveyances and Assumptions; Consent of Third Parties.

2.6.1. Effective at the Closing, Conduit hereby irrevocably and unconditionally constitutes and appoints the Company the true and lawful attorney of Conduit, with full power of substitution, in the name of Conduit or the Company, but on behalf of and for the benefit of the Company and at the Company’s cost and expense: (i) to demand and receive from time to time any and all the Transferred Assets and to make endorsements and give receipts and releases for and with respect to the same and any part thereof; and (ii) to institute, prosecute and settle any and all actions or proceedings that the Company may deem proper in order to collect, assert or enforce any claim, right or title of any kind in or to the Transferred Assets; (iii) to defend or settle any or all actions or proceedings with respect to any of the Transferred Assets, except that if indemnification is sought by the Company under Section 8.6, the provisions of Section 8.6 shall apply to such action or proceeding and the Company may not be entitled to defend or settle such action or proceeding except as set forth in Section 8.6, (iv) to do all such acts and things in relation thereto as the Company shall deem necessary or desirable. Conduit hereby acknowledges that the appointment hereby made and the powers hereby granted are coupled with an interest and are not and shall not be revocable by it in any manner or for any reason. Conduit shall deliver to the Company at the Closing an acknowledged power of attorney to the foregoing effect executed and notarized and/or apostilled by Conduit as applicable as soon as reasonably practicable upon the Company’s demand, and in a form consistent with this Section 2.6.1.

2.6.2. Without limiting the foregoing, in the event that Conduit receives, at any time after the Closing, any payments that is a Transferred Asset or that arise after the Closing and relate to the Business (including from any customer for payment under any Transferred Contract, but excluding any Excluded Asset), Conduit shall hold any such payments on trust for the Company and promptly transfer such payment to the Company (or any Affiliate of the Company designated by the Company). In the event that the Company receives, at any time after the Closing, any payments arising prior to the Closing and related to the Business (including from any customer or any Excluded Asset), the Company shall hold any such payments on trust for Conduit and promptly transfer such payment to Conduit (or any Affiliate of Conduit designated by it). In the event that the Company receives, at any time after the Closing, any request, demand or invoice for payments that are Excluded Liabilities, then the Company shall promptly provide such request, demand or invoice to Conduit for payment.

2.6.3. From time to time following the Closing and without additional consideration to Conduit, Conduit and the Company shall execute, acknowledge and deliver in a reasonably prompt manner, all such further deeds, agreements, instruments, conveyances, notices, assumptions, releases and such other instruments, and shall take such further actions, in each case, as may be commercially reasonably necessary or appropriate to assure fully to the Company and its respective successors or assigns, all of the properties, rights, titles, interests, remedies, powers and privileges intended to be conveyed to the Company under this Agreement, including with respect to the Transferred Assets, and to assure fully to Conduit and its Affiliates, successors and assigns, the assumption of the Assumed Liabilities, and to otherwise make effective the transactions contemplated hereby and thereby. In addition, Conduit shall provide the Company with all information and copies of all Documents in its possession, which are part of the Excluded Assets and relate to Tax liabilities, as may be reasonably required to enable the Company to prepare its Tax returns for any post-closing Tax period.

2.6.4. Notwithstanding anything to the contrary contained in this Agreement and without derogating from any of Conduit's obligations contained in this Agreement, to the extent the assignment, transfer, conveyance or delivery or attempted assignment, transfer, conveyance or delivery to the Company of any Transferred Asset (including, any Transferred Intellectual Property Licenses) is prohibited by any applicable law or would require any Consent or Permit of any Governmental Body or any third party, and such Consents or Permits shall not have been obtained prior to the Closing Date and the obtaining thereof is not a condition to the Closing, or that Closing has occurred irrespective that such condition was not met, then (other than in respect of sub-section (ii) below) this Agreement will not constitute an agreement to assign or transfer any such Transferred Asset or any claim or right or any benefit arising thereunder or resulting therefrom and following the Closing, and without limiting the provisions set forth in Section 6:

(i) with respect to any Transferred Assets other than those governed by the other sub-sections below: Conduit shall be deemed to hold the respective Transferred Asset and all rights, benefits and privileges with respect thereto as a trustee for the sole benefit of the Company and shall manage such Transferred Asset solely in accordance with instructions of the Company. The parties shall use their respective reasonable best efforts, and cooperate with each other, to obtain promptly such Consents or Permits. Pending such Consent or Permit, the parties shall cooperate with each other in any reasonable and lawful arrangements designed to provide to the Company the full benefits of use of such Transferred Asset, Conduit shall act on the reasonable instructions of the Company and Conduit shall not take any action in respect of the Transferred Asset without the prior written approval of the Company. Once such Consent or Permit for the assignment, transfer, conveyance or delivery of a Transferred Asset not assigned, transferred, conveyed or delivered at the Closing is obtained, Conduit shall promptly assign, transfer convey or deliver, or cause to be assigned, transferred, conveyed and delivered, such Transferred Asset to the Company for no consideration. The Company shall be bound by and assume all Liabilities and Assumed Liabilities arising out of or relating to such Transferred Asset which shall be Assumed Liabilities, regardless of whether or not the Consent or Permit was obtained, provided that the Company receives the full benefit of such Transferred Asset.

(ii) with respect to any Transferred Intellectual Property the registration of which was not yet completed and perfected in the name of the Company with the relevant Governmental Body prior to the Closing, then without limitation of any other rights of the Company, to the extent necessary to grant to the Company full and unrestricted use of such Transferred Intellectual Property, Conduit hereby grants to the Company, effective as of the Closing, an irrevocable, perpetual, royalty free, fully paid, worldwide, unrestricted, assignable, sub-licensable, exclusive license to make or have made any use or exploitation with respect thereto, and to copy, modify, reproduce, decompile, distribute, market, sell, export, import, license, modify such Transferred Intellectual Property and create derivative works in respect thereof. The Company shall be bound by and assume all Liabilities and Assumed Liabilities arising out of or relating to such Transferred Intellectual Property which shall be Assumed Liabilities, regardless of when such registration is completed and perfected, provided that the Company receives the full benefit of such Transferred Intellectual Property;

(iii) with respect to any Transferred Intellectual Property Licenses: the use of such licenses by the Company shall be governed by the Conduit Services Agreement for the term of such agreement, except to the extent that the Company shall, at its expense, obtain the required consent or right to use (or a renewal of a right of use that has terminated or expired) such third party Intellectual Property Licenses;

(iv) with respect to non-disclosure, non-competition, non-solicitation and invention assignment agreements, provisions and arrangements to which Conduit is a party, which are primarily related to the Transferred Assets and/or the Business, the Transferred Intellectual Property or current or former employees, service providers or consultants of Conduit who are or were primarily engaged in the Business (the "Business NDA Agreements") solely to the extent that such Business NDA Agreements relate to the Transferred Assets, and/or the Business and/or the Transferred Intellectual Property, the Company shall be entitled to benefit, for no consideration, from the rights of Conduit thereunder; provided that the Company shall be bound by and assume all Liabilities and Assumed Liabilities (as if the Business NDA Agreements were Transferred Contracts) arising out of or relating to such Business NDA Agreements which shall be Assumed Liabilities, regardless of whether or not they are assigned. In case of a claimed infringement or breach by any third party under a Business NDA Agreement related to the Transferred Assets and/or the Business and/or the Transferred Intellectual Property, at the request of the Company, Conduit shall institute Legal Proceedings and take any other reasonable actions, at the reasonable direction of the Company, against such infringing or breaching party, subject to Conduit's written consent (which shall not be unreasonably withheld; it being clarified that the existence or potential of relations between Conduit and such Third Party shall constitute a reasonable reason for withholding consent). If such Legal Proceeding is instituted then the Company shall assume the prosecution and handling of such Legal Proceedings, and all the reasonable expenses incurred by Conduit with respect to the above shall be borne and paid by the Company. Conduit shall not settle or compromise or permit a default or consent to entry of any judgment without the consent of the Company, which shall not be unreasonably withheld. Nothing herein shall restrict the Company's rights to pursue any action to which it is legally entitled independently of Conduit.

2.6.5. In the event that after the Closing the Company or Conduit discovers any asset or liability that is Transferred Assets or Assumed Liabilities, as applicable (or should have been listed on a scheduled thereto or explicitly listed hereto), or any Transferred Asset or Assumed Liability that was not explicitly identified hereunder for any reason (subject to Section 2.6.4), then such party shall promptly notify the other party and such asset or liability shall be deemed a Transferred Asset or Assumed Liability under this Agreement, for no consideration, effective as of the Closing.

2.7. Company's Operations Post Closing. Without derogating from the obligations of Conduit under this Agreement, from the Closing, subject to the provisions of this Agreement and any other agreement between the parties (and to the extent thereof), the Company and its Affiliates shall have the exclusive authority, power and right to control all aspects of their business, including the Business, and shall be independently responsible to obtain, purchase and maintain any and all Permits, Consents and Contracts required for the Business, including, any third party Intellectual Property Licenses, insurance policies, framework operational agreement (such as car lease, mobile phones, fuel services, toll roads, etc.). It is clarified that all Accounts Receivable resulting from the conduct of the Business following the Closing Date shall inure to the Company.

2.8. Conduit's Operations Post Closing.

2.8.1. From the Closing, subject to any other agreement between the parties or any other agreement to which Conduit is bound (and to the extent thereof), Conduit and its Subsidiaries shall have the exclusive authority, power and right to control all aspects of their business, and shall not be subject to any restriction on their right to pursue any business, activity or operation, and any discussions, negotiations, or transactions with any person or entity and may do so at any time (including, for the sake of clarity, the operations and activities currently conducted by Conduit or its Subsidiaries of research, development, marketing, sale, distribution, maintenance, provision of services for, the products, applications, technologies or solutions described in Schedule 2.8.1, all works-in-progress and in development related thereto, and any search or advertisement activities thereto relating or in connection therewith) (the "Non-Business").

2.8.2. From the Closing and for a period of 24 months thereafter, subject to the provisions of any other agreement between the parties, Conduit and its Subsidiaries shall be entitled: to continue to make or have made any use or exploitation of the Transferred Intellectual Property and third party Intellectual Property Licenses (subject to their terms); to copy, modify, customize, reproduce or decompile such Intellectual Property and create derivative works in respect thereof ("Conduit Derivative Work"); and to integrate, embed, distribute, market, sell, distribute, export, import, license such Intellectual Property either in or with Conduit's other products, services, applications, technologies or solutions or for Conduit's and its Subsidiaries' internal use and purposes. For the avoidance of doubt, the above use or exploitation of the Transferred Intellectual Property shall not be permitted in order to engage in activities that are exclusively within the Products included in the Business (and for the sake of clarity, if a certain asset may be used for an activity that can be considered both in the scope of Products included in the Business as well as out of such scope (including, Non-Business activities), then nothing herein shall be deemed or construed as preventing or limiting Conduit or its Representatives from using such asset outside of such scope (or for any Non-Business activities). If Conduit and the Company, or any of their respective Affiliates, agree on a non-compete or other limitations on Conduit's business after the Closing, then this Section 2.8 shall be subject to such limitations. For the avoidance of doubt, nothing herein shall limit Conduit from continuing to use and operate the "search.conduit.com" domain. Conduit and its applicable Subsidiaries shall exclusively own all Intellectual Property in and to any Conduit Derivative Work created, conceived, developed or reduced to practice by Conduit and its Subsidiaries after the Closing. Conduit's rights under this Section 2.8 shall not apply to any enhancements, improvements and derivative works of, or that are based on, any Transferred Intellectual Property created, conceived, developed or reduced to practice by the Company or its Subsidiaries following the Closing, except to the extent set forth in and subject to the Transition Services Agreement.

2.9. Related-party Agreements. Any and all Transferred Contracts (other than Employment Agreements) to which (to Conduit's knowledge) a Representative or shareholder of Conduit is a party shall automatically terminate as of the Closing, except for those contemplated hereby or attached hereto.

3. EQUITY ALLOCATION; HOLDERS' COVENANTS.

3.1. It is expressly agreed and acknowledged that no consideration of any kind is paid by the Company or to Conduit under this Agreement or the transactions contemplated hereby.

3.2. The transfer of the Transferred Assets and Assumed Liabilities to the Company hereunder is effected pursuant to Section 105a(1) of the Tax Ordinance and is subject to obtaining by Conduit of a tax ruling from the Israeli Tax Authorities pursuant thereto, which includes also determinations relating to the tax treatment applying on the Mirror Options, the tax treatment of the transfer of the severance funds of the Employees and the tax treatment of certain other contemplated transactions (the "Tax Ruling"). In accordance with the Tax Ruling, no Taxes shall be withheld at source by the Company in connection with the issuances of Ordinary Shares and Adjusted Options hereunder. Conduit and the Company shall comply with any covenant, obligation or condition imposed on, or agreement by, such party in the Tax Ruling and/or the Tax Ordinance, and the other party may be entitled to seek, in addition to other rights and remedies existing in its favor at Law or in equity, an injunction, restraining order or other equitable relief from any court of competent jurisdiction in the event of any breach, default or violation, or threatened breach, default or violation of any covenant, obligation or condition imposed on, or agreement by, such party in the Tax Ruling and/or the Tax Ordinance.

3.3. On the Closing, the one (1) Ordinary Share, par value NIS 0.01, of the Company (the "Ordinary Shares"), held as of the date hereof by MLG&LB Trust Ltd., as trustee on behalf of Conduit (the "Share Trustee"), shall, in accordance with its terms of issuance, be redeemed by the Company, for no consideration. The parties acknowledge that the Share Trustee shall not and will not be liable to any of the parties, their respective Representatives or any other Person whatsoever for any act done or omitted as the trustee, or in connection with its holding of the Ordinary Share as trustee or the redemption thereof, and Conduit shall indemnify the Trustee and hold the Trustee harmless against any Damage incurred by it arising out of or in connection with its service or actions as Trustee.

3.4. On the Closing, each shareholder of Conduit as registered in Conduit's register of shareholders maintained by Conduit as of 17:00 Israeli time on the Closing Date (the "Record Date") shall be issued, for no consideration, the same number of Company's Ordinary Shares, as the number of shares in the share capital of Conduit held by it (or by the Section 102 Trustee on its behalf) as of the Record Date (and regardless of the class or series thereof in Conduit's share capital, if any). From the Closing, and by virtue of the Ordinary Shares held by the holder thereof, the holder shall have those rights and privileges, and be subject to such restrictions, as set forth in the Company's Articles of Association, attached hereto as Schedule 3.4, and as may be amended from time to time, and no other rights. After the date hereof and until the Closing, the Company's Articles of Association may be amended to read substantially as Conduit's articles of association then in effect or proposed to be adopted. The Company shall not issue share certificates representing the Ordinary Shares issued pursuant to this Section 3.4.

3.5. On the Closing, each Employee and Consultant holding options to purchase shares in the share capital of Conduit under Conduit's 2005 Option Plan (the "Option Plan") that is outstanding and unexercised as of the Record Date (whether vested or unvested) (the "Mirror Options") shall be granted, for no consideration, options to purchase the same number of Company's Ordinary Shares as the number of shares subject to such Mirror Option as of the Record Date, on the terms and conditions as were applicable under such Mirror Option, including vesting schedule which shall be deemed to continue under the same original schedule as was applicable to the Mirror Option, but subject to the exercise price adjustment set forth below (an "Adjusted Option"). The exercise price per share of an Adjusted Option Share shall be equal to the per share exercise price pursuant to such Mirror Option *divided* by the Value Exchange Ratio (as defined below), rounded to the nearest whole cent. Adjusted Options in respect of Mirror Options held by and deposited with the Section 102 Trustee shall continue to be so deposited with the Section 102 Trustee in accordance with the provisions of Section 102 of the Tax Ordinance and the provisions of the Tax Ruling.

"Value Exchange Ratio" means such ratio to be agreed between Conduit and the Company by no later than the Closing Date.

3.6. By no later than the Closing, the Board of Directors of Conduit (or, if appropriate, any committee administering the Option Plan) shall adopt such resolutions or take such other actions (including obtaining any required consents) as may be required so that all Mirror Options, shall terminate and expire on the Closing, without any further action.

3.7. The calculations of the number of Ordinary Shares or Adjusted Options to which a holder of shares or options to purchase shares in the share capital of Conduit shall be entitled as set forth above shall be made with respect to any such holder based on the aggregate number of shares or options held by such holder (or by the Section 102 Trustee for its benefit).

3.8. No later than three (3) Business Days from the Closing, Conduit shall deliver, or shall cause to be delivered, to the Company a copy of its register of shareholders and schedule of option holders, as the Record Date, and a schedule indicating the holder's name and number of Ordinary Share or Adjusted Options to which such holder is entitled as set forth above.

3.9. In consideration for the transactions contemplated hereby, the following covenants and undertakings apply to each holder of shares and options in the share capital of Conduit entitled to receive Ordinary Shares or Adjusted Shares as set forth above (a "Record Date Holder"), by virtue of the Section 350 Approval, the Articles of Association of the Company and any other agreement or consent signed by such holder:

3.9.1. Each Record Date Holder, severally and not jointly, shall, indemnify, defend and hold harmless Conduit and the Company and its Representatives (in this section 3.9, the "Indemnified Parties") from and against, and pay or reimburse, as the case may be, the Indemnified Parties for, any and all Damages paid, incurred, accrued or sustained by any Indemnified Party based upon, arising out of or otherwise in any way relating to or in respect of the breach, default or violation of any covenant, obligation or condition imposed on, or agreement by, such Record Date Holder in the Tax Ruling and/or the Tax Ordinance. Conduit and the Company and their respective Representatives may be entitled to seek, in addition to other rights and remedies existing in their favor at Law or in equity, an injunction, restraining order or other equitable relief from any court of competent jurisdiction in the event of any breach, default or violation, or threatened breach, default or violation of any covenant, obligation or condition imposed on, or agreement by, such Record Date Holder in the Tax Ruling and/or the Tax Ordinance.

3.9.2. Effective as of the Closing, each Record Date Holder, in such holder's capacity as such, hereby irrevocably and unconditionally waives, releases, acquits, indemnifies, holds harmless and forever discharges each of the Indemnified Parties and the Share Trustee of and from any and all actions or causes of action, suits, claims, liabilities, losses, Damages, in Law, Contract or in equity, that any such holder or its Representatives ever had, now has, or may have against any of the Indemnified Parties or the Share Trustee, arising out of or in connection with this Agreement and the transaction contemplated hereby (including, with respect to the formation of the Company and the transfer of the Transferred Assets and Assumed Liabilities), but except for the right of such Record Date Holder to receive Ordinary Shares and/or Adjusted Options pursuant to Section 3.4 and/or 3.5, as the case may be.

3.10. Nothing herein, express or implied, shall confer upon any holder of shares or options to purchase shares in the share capital of Conduit or their respective Representatives or any beneficiary thereof, any rights or remedies under this Agreement, without derogating from such holder's right to receive the Ordinary Shares and/or Adjusted Options, as the case may be, by virtue of other agreements or documents executed with or applying to such holder.

4. CLOSING

4.1. Closing Date. Subject to the satisfaction or waiver of the conditions set forth in Section 6 hereof, the closing of the transfer of the Transferred Assets and the assumption of the Assumed Liabilities (the "Closing") shall take place at the offices of Meitar, Liquornik, Geva, Leshem, Tal, law offices (or at such other place as the parties may designate in writing) at 5:00 p.m. (Israel time) on December 31, 2013 (the "Closing Date"). In the event that all conditions set forth in Section 6 hereof have been satisfied or waived, other than the condition set forth in Section 6.1.2, the Closing shall take place on such date as the condition set forth in Section 6.1.2 is satisfied. The actions and occurrences to occur prior to or at the Closing shall be deemed to have occurred simultaneously and no action shall be deemed to have been completed and no document or certificate shall be deemed to have been delivered, until all actions are completed and all documents and certificates delivered.

4.2. Conduit's Closing Deliverables. Conduit shall or shall cause to be delivered to the Company, at or prior to the Closing:

4.2.1. Original share certificate(s) representing the Transferred Subsidiaries Shares or an affidavit of lost certificate with respect thereof duly executed by Conduit, in the form attached hereto as Schedule 4.2.1;

4.2.2. A stock power, duly signed by Conduit, transferring the US Transferred Shares to the Company, made in accordance with the applicable charter documents of the US Subsidiary, in the form attached hereto as Schedule 4.2.2;

4.2.3. A Deed of Transfer of Registered Shares in the capital of the BV Subsidiary, duly signed by Conduit, transferring the BV Transferred Shares to the Company, made in accordance with the applicable charter documents of the BV Subsidiary, in the form attached hereto as Schedule 4.2.3(a), together with a duly completed power of attorney by the Company and Conduit ready for immediate filing with the applicable authorities, in the form attached hereto as Schedule 4.2.3(b); provided that if the deed may not be notarized and apostilled on the Closing Date then it shall be notarized and apostilled within three (3) Business Days following the Closing, and Closing shall not be delayed on account of the deliveries under this Section 4.2.3;

4.2.4. A copy of a power of attorney of BV Subsidiary's approving the transfer of the BV Transferred Shares from Conduit to the Company, as contemplated by this Agreement, in the form attached hereto as Schedule 4.2.4;

4.2.5. The Bill of Transfer, duly executed by Conduit, in the form attached hereto as Schedule 4.2.5;

4.2.6. The Assignment and Assumption Agreement, a duly executed by Conduit, in the form attached hereto as Schedule 4.2.6;

4.2.7. Assignment deeds and powers of attorney with respect to any and all Transferred Patents, registrable Transferred Copyrights, Transferred Trademarks, Network Identifiers, any other registrable Transferred Intellectual Property and all the applications to register any of the foregoing, in forms suitable for recordation with the U.S. Patent and Trademark Office and all counterparts in all foreign jurisdictions, duly executed by Conduit;

4.2.8. Updated lists and/or schedules of Transferred Assets, if any, pursuant to the last paragraph of Section 2.1;

4.2.9. The Office and Administration Services Agreement, duly executed by Conduit, in the form attached hereto as Schedule 4.2.9 (the “Conduit Services Agreement”);

4.2.10. The Working Capital Financing Agreement, duly executed by Conduit, in the form attached hereto as Schedule 4.2.10;

4.2.11. A counterpart of the documents referred to in Sections 4.3.24.3.2 and 4.3.4 duly executed by Conduit;

4.2.12. A counterpart of the documents referred to in Section 4.3.3 duly executed by Modular Patterns Ltd.; and

4.2.13. A power of attorney, duly executed by Conduit as soon as reasonably practicable upon the Company’s demand, and in a form consistent with this

Section 2.6.1.

4.3. Company’s Closing Deliverables. The Company shall or shall cause to be delivered to Conduit, at or prior to the Closing:

4.3.1. A counterpart of the documents referred to in Sections 4.2.2, 4.2.3, 4.2.5-4.2.10 duly executed by the Company;

4.3.2. The Syndication Agreement with the Company, duly executed by the Company, in the form agreed in accordance with Section 5.1;

4.3.3. The Publisher Agreement with Modular Patterns Ltd., duly executed by the Company, , in the form agreed in accordance with Section 5.1;

4.3.4. The Transition Services Agreement, duly executed by the Company, in the form attached hereto as Schedule 4.3.4 (the “Transition Services Agreement”); and

4.3.5. An instrument effecting the redemption of the Ordinary Share held by the Share Trustee, duly executed by the Company, in form attached hereto as Schedule 4.3.5.

5. ADDITIONAL COVENANTS AND AGREEMENTS.

5.1. Search Agreements. The Parties shall negotiate in good faith and, by no later than the Closing, enter into syndication agreements for search monetization services between the Company and each of Conduit and Modular Patters Ltd., providing for commercial terms which are the most favorable terms for similar services of the Company, at any time and from time to time after the Closing.

5.2. Public Disclosure. Unless otherwise agreed by the parties hereto, the parties shall not, and shall cause their respective Representatives not to, issue any press release, news release, or other public statement relating to the terms of this Agreement or the transactions contemplated hereby, without the prior written approval of the other party (including to the content and timing of such statement or announcement), except if and as required by applicable Law. This section shall survive the consummation, termination or expiration of this Agreement, the Closing and the transactions contemplated hereby.

5.3. Reasonable Efforts. Each of the parties hereto agrees to use its commercially reasonable efforts, and to cooperate with each other party hereto, to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, appropriate or desirable to consummate and make effective, in the most expeditious manner practicable, the Closing and the other transactions contemplated hereby, including the satisfaction of the respective conditions set forth in Section 6, and including to execute and deliver such other instruments and do and perform such other acts and things as may be necessary or reasonably desirable for effecting completely the consummation of the transactions contemplated hereby.

5.4. Third Party Consents and Notices.

5.4.1. Conduit shall use its commercially reasonable efforts to obtain prior to the Closing the Consents under each Contract or from the Governmental Bodies, as listed on Schedule 5.4.1.

5.4.2. Conduit shall use its commercially reasonable efforts to deliver a notice to the parties to the Transferred Contracts at or prior to the Closing, notifying them of the assignment to the Company, in the form(s) attached hereto as Schedule 5.4.2.

5.5. Employees.

5.5.1. The employment or engagement, as applicable, of all Employees and Consultants in accordance with their respective Employment Agreement shall be assumed by the Company as of the Closing. To the extent the transfer of any Employee to the Company would require any Permit of any Governmental Body and such Permit shall not have been obtained prior to the Closing Date, then the service of such Employees shall be governed by the Conduit Services Agreement until the earlier of such time as the required Permit is granted or the termination of employment by such Employee.

5.5.2. The Employees are transferred through continuance of their employment, and, accordingly, all obligations and covenants that such Employees have undertaken in their Employment Agreement (including, confidentiality, non compete, non solicitation and invention assignment) shall inure to the benefit of the Company, as the employer from and as of the Closing, and all benefits that such Employees may be eligible to receive pursuant to their respective Employment Agreements, applicable Law or Plans shall be assumed by the Company, including, without limitation (but subject to Section 2.4.5 above), all wages, prior notice period (or payment in lieu thereof), recreation and/or recuperation pay, accumulated redeemable unused vacation days and sick leave, provident, pension or retirement plan, education fund, managers' insurance, disability pay, bonuses, commissions, pay for other compensated absences and other remuneration (including mandatory or discretionary benefits) until the Closing Date, and any right or benefit arising from the future termination of employment, including severance pay.

5.5.3. Prior to the Closing, Conduit or the applicable employing Subsidiary shall make all such payments, transfers and fully fund all such amounts required to be placed with any severance fund or insurance policy ("Severance Fund") that would have been required to be transferred and paid to Israeli Employees had the employment of such Employees been terminated by Conduit or the applicable employing Subsidiary at the Closing. Conduit or the applicable employing Subsidiary shall assign and transfer to the Company all its rights in all such Severance Funds with respect to the relevant Employees, and such Plans shall be deemed Transferred Assets hereunder as of the Closing. To the extent the recordation of such assignment and transfer is not completed by the Closing Date, then the parties shall cooperate and take such further actions as are reasonably to record such assignment and transfer as soon as reasonably practicable after the Closing. For the avoidance of doubt, in the event that any Employee ceases to be employed by the Company after the Closing Date, the Company shall be solely responsible for any severance or other payments due to the Employee as a result of such termination of employment.

5.5.4. Nothing in the Employment Agreement or other agreements between any Employees or Consultant and Conduit or its Subsidiaries shall as of the Closing, limit or restrict such Employee or Consultant from serving, as of Closing, as employees or consultant of the Company or any of its Subsidiaries. As of the Closing, the Employees or Consultants shall be relieved and released from the non-compete and confidentiality obligations, each to the extent related to the Business, owed to Conduit or its Subsidiaries to such extent required to perform the obligations and duties under their respective Employment Agreement with the Company or its Subsidiaries.

5.5.5. On and after the Closing Date, the Company shall cause each Employee and Consultant to receive full credit for all prior service with Conduit for purposes of determining any benefits to be received by such Employee or Consultant to the extent that service or length of employment or engagement is an applicable factor for determining benefits under any benefit Plan of the Company or its Subsidiaries or under applicable Laws.

5.5.6. Conduit shall make reasonable efforts so that, by no later than the Closing, each Employee or Consultant shall sign: (i) an acknowledgment to Section 5.5.2; (ii) any required consent to give effect to Sections 3.5 and 3.6; (iii) an acknowledgement and consent to the terms of the Tax Ruling (in regards to tax treatment of option); (iv) confidentially undertaking towards Conduit and its Subsidiaries from the Closing.

5.5.7. Nothing herein, express or implied, shall confer upon any Employee or Consultant, or legal representative or beneficiary thereof, any rights or remedies, including any right to employment/engagement or continued employment/engagement for any specified period, or compensation or benefits of any nature or kind whatsoever under this Agreement.

5.6. Use of Name. In order to allow the Split and the transition of the Business to the Company to occur in an orderly manner:

5.6.1. (i) for a period from the Closing Date until 6 months from the Closing Date, the Company may use the Conduit URLs (as defined below) for new downloads or installs, except in case that the party to a search agreement that is a Transferred Contract does not agree to amend the domain or URL address referenced in such search agreement in which cases the Company may continue to use the existing domain or URL address until the end of the current term of such existing search agreement (not including renewals, automatic renewals or extensions). the Company shall implement the technological solution required to cease using or distributing the Conduit URLs as set forth above until the 6 months anniversary of the Closing, provided that to the extent until the 6 months anniversary of the Closing such implementation could not be achieved due to a technological problems that could not have been reasonably expected, the Company may use the Conduit URLs for new downloads or installs for an additional 3 months period; (ii) until the later of: (1) 12 months anniversary of the Closing Date or (2) such time as the revenues of the Company from search activities of the Business that remain on the domain, sub-domain or URL addresses which include the word “conduit” (as listed on Schedule 5.6) (the “Conduit URLs”) are lower than 2% of the total revenues of the Company from search activities of the Business (the “Transition Period”), the parties shall coordinate the redirection of the Conduit URLs to a new search page address or domain. Within 30 days following the Transition Period, the Company shall cease using any Conduit URLs or any domain, sub-domain or URL address that includes the word “conduit” or that incorporate such word or any words substantially similar or confusingly similar thereto. Conduit shall be entitled to take all necessary steps for ceasing any non-compliant use, and the Company will render any assistance required by Conduit in connection with such redirection. For the avoidance of doubt, during the Transition Period and for 30 days thereafter, the Company may use in ad monetization agreements the Conduit URLs in connection with the Business.

5.6.2. Other than as set forth in Section 5.6.1 above, the relevant domain, sub-domain or URL address in any ads monetization agreement, search agreements or any other applicable Contracts relating to the Business that is entered into after the Closing shall not include the word “conduit” or incorporate such word or any words substantially similar or confusingly similar thereto, but the new search page of the Company, and the Company shall make commercially reasonable efforts so that by no later than the 6 months anniversary of the Closing Date any applicable Transferred Contract shall also be amended to this affect.

5.6.3. The Company shall use its commercial reasonable efforts so that by no later than the 6 months anniversary of the Closing Date any software signature file shall not include the word “conduit” or incorporate such word or any words substantially similar or confusingly similar thereto. The Company shall destroy the Conduit's software signature file.

5.6.4. Subject to the foregoing, from the Closing the Company shall cease using any Marks and doing business under any Network Identifiers or Marks that include or incorporate the word “conduit” or any Marks or names substantially similar or confusingly similar thereto.

5.7. Business Confidential Information. From and after the date hereof and except as permitted in this Agreement or in any other agreement between the parties and/or their Affiliates, Conduit shall, and shall cause its Representatives, not to, directly or indirectly, disclose, reveal, divulge or communicate to any Person, or use, any Business Confidential Information, except that Conduit may disclose any such information to its Representatives undertaking in advance to be bound by confidentiality and non use undertaking similar to those contained in this Section 5.7. For purposes of this Section 5.7, “Business Confidential Information” shall mean any Trade Secrets or other confidential information with respect to the Transferred Assets, the Assumed Liabilities or the Business, but does not include information that (i) is in the public domain at the time of disclosure by Conduit or subsequently becomes so through no fault of Conduit; (ii) is furnished to Conduit and/or its Representatives by a third party having a lawful right to do so; (iii) was explicitly approved for release by written authorization of the Company or its Representatives; or (iv) is independently developed by Conduit, without benefit of Business Confidential Information, or is or relates to Conduit Derivative Work. This Section 5.7 shall not restrict Conduit and its Representatives from acting in accordance with Section 2.8 nor shall it derogate or limit Section 2.8. Conduit shall be permitted to use or disclose Business Confidential Information (a) if such disclosure is required by law or is in response to a valid order of a court or inquiry by other Governmental Body for the purposes of such order or inquiry, provided that Conduit shall have promptly notified the Company in writing of such order or inquiry and, if reasonably requested by the Company, used commercially reasonable efforts to seek an appropriate protective order or other limitation on disclosure and/or request confidential treatment of such information, (b) in connection with any threatened or pending Legal Proceedings brought by or against any of them or the defense, Settlement or arbitration thereof, provided that (other than with respect to the Excluded Litigation (as defined below)) the Company approved such disclosure in advance and in writing (such approval not to be unreasonably withheld or delayed, taking into account the sensitivity of the Business Confidential Information and the materially and importance of the disclosure to Conduit); and (c) if such information does not relate only to the Business but also to other matters, activities, operations, products, assets or Intellectual Property of Conduit and its Representatives (the “Non-Business Activity”), but only to the extent related to the Non-Business Activity.

5.8. Conduit Confidential Information. From and after the date hereof and except as permitted in this Agreement or in any other agreement between the parties and/or their Affiliates, the Company shall, and shall cause its Representatives, not to, directly or indirectly, disclose, reveal, divulge or communicate to any Person, or use, any Conduit Confidential Information, except that the Company may disclose any such information to its Representatives undertaking in advance to be bound by confidentiality and non use undertaking similar to those contained in this Section 5.8. For purposes of this Section 5.7, "Conduit Business Confidential Information" shall mean any Trade Secrets or other confidential information with respect to matters, activities, operations, products, assets or Intellectual Property of Conduit and its Subsidiaries (other than the Transferred Subsidiaries), including the Excluded Assets, the Excluded Liabilities and Conduit Derivative Work and excluding the Transferred Assets and the Transferred Liabilities, but does not include information that (i) is in the public domain at the time of disclosure by the Company or subsequently becomes so through no fault of the Company; (ii) is furnished to the Company and/or its Representatives by a third party having a lawful right to do so; (iii) was explicitly approved for release by written authorization of Conduit or its Representatives; or (iv) is independently developed by the Company, without benefit of Conduit Business Confidential Information. The Company shall be permitted to use or disclose Conduit Business Confidential Information (a) if such disclosure is required by law or is in response to a valid order of a court or inquiry by other Governmental Body for the purposes of such order or inquiry, provided that the Company shall have promptly notified Conduit in writing of such order or inquiry and, if reasonably requested by Conduit, used commercially reasonable efforts to seek an appropriate protective order or other limitation on disclosure and/or request confidential treatment of such information, (b) in connection with any threatened or pending Legal Proceedings brought by or against any of them or the defense, Settlement or arbitration thereof, provided that Conduit approved such disclosure in advance and in writing (such approval not to be unreasonably withheld or delayed, taking into account the sensitivity of the Conduit Business Confidential Information and the materially and importance of the disclosure to the Company); and (c) if such information relates also to the Business, but only to the extent related to the Business.

5.9. Bank Account. Following the date hereof and prior to the Closing, the Company shall open and maintain a bank account with Bank Ha-Poalim or Bank Leumi.

5.10. Access to Business Records. Conduit shall afford the Company and its Representatives reasonable access upon reasonable notice and during business hours to Conduit's books, e-mail archives and records that are not transferred pursuant to this Agreement, solely to the extent relating to the Business and subject to any information that is not related to the Business constituting Conduit Business Confidential Information.

5.11. D&O Insurance. Effective as of the Closing Date, Conduit shall add the Company, at no expense to the Company, as an additional insured to its D&O liability insurance policy and its errors and omissions insurance policy. Such policies shall cover the liability of the Company and its directors and officers, as applicable, until such time as the Company and its directors and officers becomes covered by a policy purchased by the Company or an Affiliate thereof.

6. CONDITIONS TO CLOSING

6.1. Conditions Precedent to the Obligations of Each Party. The respective obligations of each of the Company and Conduit to effect the Closing shall be subject to the satisfaction at or prior to the Closing of each of the following conditions:

6.1.1. No Order. There shall be no Order issued against Conduit or the Company either temporarily or permanently which has or could have the effect of making the transactions contemplated by this Agreement illegal, or otherwise restraining, prohibiting or preventing the consummation thereof.

6.1.2. Tax Rulings. The following shall have been obtained from the Israeli Tax Authorities, in form and substance reasonably acceptable to Conduit and the Company: (i) the Tax Ruling; (ii) a tax interim or final determination (as part of the Tax Ruling or otherwise) confirming that the treatment of Mirror Options and Adjusted Options as contemplated by this Agreement will not result in a requirement for an immediate Israeli tax payment (or any tax withholding by the Company), until such time as (x) any such Adjusted Option is exercised or (y) in the case of Adjusted Options which are part of a "Section 102 Plan," until the actual sale of the underlying shares by the holder of any such Adjusted Options or their release from the Section 102 Trustee, in accordance with the terms of such determination, and that in the case of Adjusted Options which are part of a "Section 102 Plan," the requisite holding period will be counted from the date of grant of the applicable Mirror Options (which determination may be subject to customary conditions regularly associated with such a ruling) and (iii) a tax determination (as part of the Tax Ruling or otherwise) confirming that the transfer of Severance Funds of Employees from Conduit to the Company will not result in any adverse tax consequences for the Company or for the Employees.

6.2. Additional Conditions Precedent to Obligations of the Company. The obligation of the Company to effect the Closing shall be subject to the satisfaction, on or prior to the Closing Date, of each and every of the following conditions (each of which may be waived by the Company in writing in its sole discretion):

6.2.1. Covenants. Conduit shall have performed and complied in all material respects with all obligations, agreements and conditions of this Agreement required to be performed or complied with by it on or prior to the Closing Date.

6.2.2. Receipt of Closing Deliveries. The Company shall have received each of the deliverables set forth in Section 4.2, in form and substance provided thereby or reasonably acceptable to the Company.

6.3. Additional Conditions Precedent to Obligations of Conduit. The obligation of Conduit to effect the Closing is subject to the satisfaction, on or prior to the Closing Date, of each and every of the following conditions (each of which may be waived by Conduit in writing in its sole discretion):

6.3.1. Covenants. The Company shall have performed and complied in all material respects with all obligations, agreements and conditions of this Agreement required to be performed or complied with by the Company on or prior to the Closing Date.

6.3.2. Receipt of Closing Deliveries. Conduit shall have received all deliverables set forth in Section 4.3, in form and substance provided thereby or reasonably acceptable to Conduit.

7. **INDEMNIFICATION.**

7.1. From and after the Closing, the Company (in this section, the “Indemnifying Party”) shall, indemnify, defend and hold harmless Conduit and its Representatives (in this section, the “Indemnified Party”) from and against, and pay or reimburse, as the case may be, the Indemnified Parties for, any and all Damages paid, incurred, accrued or sustained by any Indemnified Party based upon, arising out of or otherwise in any way relating to or in respect of (i) the Transferred Assets and the Assumed Liabilities; (ii) any breach or violation of, default under, or non-compliance with the terms of or obligations arising under any Transferred Assets or Assumed Liabilities by or on behalf of the Company or the Transferred Subsidiaries (and any of their respective successors and assigns), or any such alleged breach, violation, default or non-compliance; (iii) the operations and activities of research, development, use, marketing, sale, distribution, maintenance, provision of services for, that are derived from, related to, or constitute an extension or expansion of the Business, the Products or the Transferred Assets by or on behalf of the Company and the Transferred Subsidiaries (and any of their respective successors and assigns) after the Closing; (iv) the breach, default or violation of any covenant, obligation or condition imposed on, or agreement by, or on behalf of, the Company in the Tax Ruling and/or the relevant provisions of the Tax Ordinance referenced in the Tax Ruling; or (v) any claim by any third party alleging or in connection with any of the foregoing clauses.

7.2. From and after the Closing, Conduit (in this section, the “Indemnifying Party”) shall, indemnify, defend and hold harmless the Company and its Representatives (in this section, the “Indemnified Party”) from and against, and pay or reimburse, as the case may be, the Indemnified Party for, any and all Damages paid, incurred, accrued or sustained by any Indemnified Party based upon, arising out of or otherwise in any way relating to or in respect of (i) any Excluded Assets or any Excluded Liabilities; (ii) the breach, default or violation of any covenant, obligation or condition imposed on, or agreement by, Conduit in the Tax Ruling and/or the relevant provisions of the Tax Ordinance referenced in the Tax Ruling; and (iii) any claim by any third party alleging or in connection with the foregoing clauses.

In the following sections, the term “Indemnifying Party” shall refer to the Company or Conduit, as the case may be, and “Indemnified Parties” shall refer to Conduit and its Representatives or the Company and its Representatives, as the case may be.

7.3. The Indemnifying Party's liability for Damages shall be reduced, if and to the extent by: (A) insurance proceeds, if any, actually received by the Indemnified Party with respect thereto; and (B) the proceeds and/or indemnification (net of Taxes) actually received by the Indemnified Party from any third party with respect thereto. In such cases, the Damages shall include the costs and expenses incurred by the Indemnified Party in recovery of such proceeds (including, any future increase of premiums on such account, and any deductibles payable). The Indemnifying Party's liability for Damages shall be increased to take account of any Tax incurred (grossed up for such increase) by the Indemnified Party arising from the receipt of indemnity hereunder, insurance proceeds or proceeds from third parties.

7.4. No investigation made by or on behalf of any Indemnified Party hereto or its Representatives or the knowledge of any such party's or its Representatives shall effect or limit any indemnification rights hereunder.

7.5. Indemnification Procedures.

7.5.1. An Indemnified Party may deliver to the Indemnifying Party a certificate signed by any officer of the Indemnified Party that is an entity (a “Notice of Claim”): (i) stating that the Indemnified Party has incurred, paid, reserved or accrued Damages, or, if known, reasonably anticipates that it may incur, pay, reserve or accrue, Damages (or that any Tax Authority or other Governmental Body may raise such matter in audit or investigation of such party or its Representatives, which could give rise to Damages); (ii) stating the amount of such Damages (which, in the case of Damages not yet incurred, paid, reserved or accrued, may be the amount reasonably anticipated by the Indemnified Party to be incurred, paid, reserved or accrued); and (iii) specifying in reasonable detail (based upon the information then possessed by the Indemnified Party) the individual items of such Damages included in the amount so stated and the nature of the claim to which such Damages are related. No delay in providing such Notice of Claim shall affect an Indemnified Party’s rights hereunder, unless (and then only to the extent that) the Indemnifying Party is materially prejudiced thereby.

7.5.2. If the Indemnifying Party does not notify the Indemnified Party in writing within 30 days from its receipt of the Notice of Claim that it has objections to such claim, or if the Indemnifying Party shall have submitted an objection with respect to only portion of the Damages claimed in the Notice of Claim, the Indemnifying Party shall be deemed to have accepted and agreed to indemnify the Indemnified Party from and against the entirety of Damages referred to in the Notice of Claim, or the Damages not objected to by the Indemnifying Party in a notice of objection duly submitted, as the case may be. If an Indemnifying Party in good faith objects in writing to any claim or claims by Indemnified Party made in any Notice of Claim within such 30-day period, the Indemnified Party and the Indemnifying Party shall attempt in good faith for 30 days after receipt of such written objection to resolve such objection. If they shall so agree, a memorandum setting forth such agreement shall be prepared and signed by both parties. The Indemnified Party shall be entitled to conclusively rely on any such memorandum. If no such agreement can be reached during the 30-day period for good faith negotiation, but in any event upon the expiration of such 30-day period, either the Indemnified Party or the Indemnifying Party may refer the matter to arbitration in accordance with Section 9.4 hereof to resolve the matter.

7.6. Third Party Claims.

7.6.1. In the event that any Indemnified Party in question becomes aware of a claim or demand from a third party (including a claim, demand, audit, investigation or an inquiry by any Governmental Body) (a “Third Party Claim”) as to which the Indemnifying Party may be obligated to provide indemnification pursuant to this Agreement, such Indemnified Party will notify the Indemnifying Party in writing, and in reasonable detail, of the Third Party Claim reasonably promptly after becoming aware of such Third Party Claim; provided, however, that failure to give any such notification will not affect the indemnification provided hereunder except to the extent the Indemnifying Party shall have been actually and materially prejudiced as a result of such failure.

7.6.2. The Indemnifying Party may upon notice to the Indemnified Party assume the conduct and control, through counsel of its own choosing and at its own expense, the settlement or defense thereof, and the Indemnified Party shall reasonably cooperate with it in connection therewith; provided, that the Indemnified Party shall be entitled to assume the defense or settlement of such action to the extent: (i) any relief other than monetary Damages is sought against the Indemnified Party; (ii) such action involves criminal or quasi-criminal allegations; (iii) if, in the good faith judgment of the Indemnified Party, the Indemnifying Party failed or is failing to vigorously prosecute or defend; or (iv) the Indemnified Party shall have reasonably concluded (based on opinion of a legal counsel) that there a conflict of interest exists between the Indemnified Party and Indemnifying Party in the conduct of the defense or settlement of such action.

7.6.3. If the Indemnifying Party assumes the defense of a Third Party Claim, then: (i) the Indemnified Party shall make available to the Indemnifying Party any documents and materials in its possession or control that may reasonably be necessary to the defense or settlement of such Third Party Claim; (ii) the Indemnifying Party shall keep the Indemnified Party informed of all material developments relating to such Third Party Claim; (iii) the Indemnifying Party shall not be permitted to effect any settlement, adjustment, compromise of such Third Party Claim or any of the claims made in connection therewith, consent to the entry of any judgment or cease the defense (each, in this Section 7.6 a "Settlement"), without the prior written consent of the Indemnified Party (which consent shall not be unreasonably withheld) unless: (A) such Settlement involves no finding or admission of any breach by any Indemnified Party of any obligation to any other Person or any violation by any Indemnified Party or its Representatives of any Laws; (B) such Settlement involves no non-monetary relief, remedy or obligation applying to the Indemnified Party or its Representatives, including any restrictions or limitation on the ability of the Indemnified Parties or its Representatives to operate or compete; and (C) the Settlement includes an irrevocable and unconditional release in favor of the Indemnified Party of and from any and all actions or causes of action, suits, claims, liabilities, losses or Damages arising out of or in connection with the Third Party Claim or any the Legal Proceeding relating thereto. The Indemnifying Party will not effect or consent to any Settlement of a Third Party Claim or any of the claims made in connection therewith providing for a sole relief from the Indemnified Parties that is monetary Damages, if it (or any party other than the Indemnified Parties) do not have sufficient financial resources to bear and pay such Damages in full. If the Indemnifying Party is assuming the defense of any Third-Party Claim as set forth above, the Indemnified Party shall nonetheless have the right to participate in the defense or Settlement negotiations of such Third-Party Claim giving rise to the Indemnified Party's claim for indemnification, at the Indemnified Party's cost and expense and with counsel of its choosing.

7.6.4. In the event that either the Indemnifying Party does not assume the control of the defense of any Third-Party Claim or any of the conditions in Section 7.6.2(i)-(iv) above are (or become) unsatisfied, the Indemnified Party may defend against and consent to any Settlement with respect to, the Third-Party Claim in any manner it may deem appropriate and the Indemnified Party need not consult with, or obtain any consent from, any Indemnifying Party in connection therewith (and the costs and expenses incurred by the Indemnified Party in connection with such defense, settlement or resolution (including reasonable attorneys' fees, other professionals' and experts' fees and court or arbitration fees, costs and expenses) shall be included in the Damages for which the Indemnified Party may seek indemnification pursuant to a claim made hereunder); provided that in case the Indemnifying Party does not assume the control due to the conditions in Section 7.6.2(i)-(iv) then the Indemnifying Party shall not be liable for any Settlement effected without the prior written consent of the Indemnifying Party (which consent will not be unreasonably withheld).

7.6.5. In connection with any defense or Settlement of a Third Party Claim, the parties shall, and shall cause their respective Representatives to, cooperate in the defense or prosecution thereof and to in good faith retain and furnish to each other such records, information and testimony, and attend such conferences, discovery proceedings, hearings, trials and appeals, as may be reasonably requested by a party hereto in connection therewith (to the extent that receipt of such documents does not affect any privilege relating to any Indemnified Party or contain proprietary and/or confidential information thereof).

7.6.6. With respect to the Excluded Liability set forth in Section 2.4.9, the foregoing shall not apply and the Indemnifying Party may upon notice to the Indemnified Party assume the conduct and control, through counsel of its own choosing and at its own expense, the settlement or defense thereof, and the Indemnified Party shall reasonably cooperate with it in connection therewith. If the Indemnifying Party did not assume the defense then the Indemnified Party shall assume the defense and Settlement of such Third Party Claim and: (i) the Indemnifying Party shall make available to the Indemnified Party any documents and materials in its possession or control that may reasonably be necessary to the defense or Settlement of such Third Party Claim; (ii) the Indemnified Party shall keep the Indemnifying Party informed of all material developments relating to such Third Party Claim; (iii) the Indemnified Party shall not be permitted to effect any Settlement of such Third Party Claim or any of the claims made in connection therewith, without the prior written consent of the Indemnifying Party (which consent shall not be unreasonably withheld or delayed). The Indemnifying Party shall have the right to participate in the defense or Settlement negotiations of such Third-Party Claim, or meeting with such third party (and the Indemnified Party shall advise it of the same in advance) at the Indemnifying Party's cost and expense and with counsel of its choosing.

7.6.7. This Section 7.6.7 shall apply with respect to the Excluded Liability set forth in Section 2.4.92.4.11 (the "Excluded Litigation") and the handling of the defense (including appeal) and Settlement thereof, notwithstanding anything in the foregoing. Conduit shall continue to have sole control of the defense and Settlement thereof, through counsel of its choosing, at its expense, and in any manner it may deem appropriate and need not consult with, or obtain any consent from, the Company. The Company shall, and shall cause its Representatives, to comply with Section 7.6.5 which shall apply to the Excluded Litigation and the defense and Settlement thereof as it applies to a Third-Party Claim. If required, the Company shall enter into any Settlement of an Excluded Litigation if: (i) such Settlement involves reasonable obligations, restrictions or limitation (and for such purpose any limitation or course of action or operation that is the ordinary course of business or operation of the Business is deemed reasonable); and (ii) if applicable, any relief from the Company that is monetary Damages is satisfied by Conduit (or any party other than the Company).

8. **TERMINATION OF AGREEMENT.**

8.1. This Agreement may be terminated prior to the Closing as follows:

8.1.1. by mutual written consent of the Company and Conduit;

8.1.2. by either the Company or Conduit, on or after February 28, 2014 such other date that the Company and Conduit may agree upon in writing, if the Closing shall not have occurred by the close of business on such date, provided however, that the right to terminate this Agreement under this clause shall not be available to any party whose breach of this Agreement has resulted in the failure of the Closing to occur on or before such date or that has caused any of the conditions set forth in Section 6 not to have been satisfied on or before such date;

8.1.3. by either the Company or Conduit if there shall be in effect a final non-appealable injunction or other Order of a Governmental Body restraining, enjoining or otherwise prohibiting the consummation of the transactions contemplated hereby or a material portion thereof; provided, however, that the right to terminate this Agreement under this clause shall not be available to any party whose breach of this Agreement has been the cause of or resulted in such injunction or other Order;

8.1.4. by the Company, if Conduit shall have breached any covenant or agreement contained herein and such breach shall not have been cured within five Business Days after receipt by Conduit of written notice of such breach (provided, however, that no such cure period shall be available or applicable to any such breach which by its nature cannot be cured) and if not cured within the timeframe above and at or prior to the Closing, such breach would result in the failure of any of the conditions set forth in Section 6.1 or 6.2 to be satisfied if the Closing was to occur on such date; or

8.1.5. by Conduit, if the Company shall have breached any covenant or agreement contained herein and such breach shall not have been cured within five Business Days after receipt by the Company of written notice of such breach (provided, however, that no such cure period shall be available or applicable to any such breach which by its nature cannot be cured) and if not cured within the timeframe above and at or prior to the Closing, such breach would result in the failure of any of the conditions set forth in Section 6.1 or 6.3 to be satisfied if the Closing was to occur on such date.

8.2. Procedure Upon Termination. In the event of termination by the Company or Conduit, or both, pursuant to Section 8 hereof, written notice thereof shall forthwith be given to the other party, and this Agreement shall terminate, except for this Section 8.2 and Sections 5.2, 8.3 and 9 of this Agreement, which shall remain in full force and effect.

8.3. Effect of Termination. In the event that this Agreement is validly terminated as provided herein, then each of the parties shall be relieved of their duties and obligations arising under this Agreement after the date of such termination and such termination shall be without any liability to any of the parties and their respective Representatives; provided, however, that nothing in this Section 8.3 shall relieve a party or its Representatives of any liability for a willful or material breach of this Agreement prior to the effective date of such termination. No party shall be liable for any consequential, incidental or indirect damages, including loss of profits or loss of opportunities of the other party.

9. MISCELLANEOUS.

9.1. Entire Agreement. This Agreement (including the schedules and exhibits hereto and all other Transaction Documents) represents the entire understanding and agreement between the parties hereto with respect to the subject matter hereof and supersede all prior agreements and understandings, both written and oral (with no concession being made as to the existence of any such agreements and understandings), among the parties hereto with respect to the subject matter hereof.

9.2. Amendments and Waivers. This Agreement may be amended, supplemented or changed, and any provision hereof can be waived, only by written instrument signed by the parties hereto, or in case of a waiver by the party against whom enforcement of any such amendment, supplement, modification or waiver is sought. No action taken pursuant to this Agreement, including without limitation, any investigation by or on behalf of any party, shall be deemed to constitute a waiver by the party taking such action of compliance with any representation, warranty, covenant or agreement contained herein. The waiver by any party hereto of a breach of any provision of this Agreement shall not operate or be construed as a further or continuing waiver of such breach or as a waiver of any other or subsequent breach. No failure on the part of any party to exercise, and no delay in exercising, any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of such right, power or remedy by such party preclude any other or further exercise thereof or the exercise of any other right, power or remedy.

9.3. No Third Party Beneficiaries; Assignment. Nothing in this Agreement shall create or be deemed to create any third party beneficiary rights in any person or entity not a party to this Agreement (including, without limitation of the generality of the foregoing, as specifically disclaimed in Sections 3.10 and 5.5.7), but other than rights expressly granted to Representatives of a party hereunder. No assignment of this Agreement or of any rights or obligations hereunder may be made (by operation of law or otherwise) by either Conduit or the Company without the prior written consent of the other party hereto and any attempted assignment without the required consents shall be void; provided, however, that after Closing, either party may assign this Agreement and any or all rights or obligations hereunder to any Affiliate. Subject to the foregoing, this Agreement shall be binding upon, inure to the benefit of, and be enforceable by, the parties hereto and their respective successors, assigns, heirs, executors, and administrators.

9.4. Governing Law; Jurisdiction; Arbitration.

9.4.1. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Israel, without giving effect to the rules of conflict of laws thereof.

9.4.2. Submission to Jurisdiction. Subject to the arbitration provisions in sub-Section 9.4.3, each of the parties hereby irrevocably and unconditionally submits, for itself and its assets and properties, to the exclusive jurisdiction of the competent courts located in Tel-Aviv-Jaffa, Israel, in any action or proceeding arising out of or relating to this Agreement, the agreements delivered in connection with this Agreement, or the transactions contemplated hereby or thereby, or for recognition or enforcement of any judgment relating thereto, and each of the parties to this Agreement hereby irrevocably and unconditionally (i) agrees not to commence any such action or proceeding except in such courts; (ii) agrees that any claim in respect of any such action or proceeding may be heard and determined in such court or; (iii) waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any such action or proceeding in any such court; and (iv) waives, to the fullest extent permitted by Law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court. Each of the parties to this Agreement hereby agrees that a judgment in any such action or proceeding may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law. Each of the parties to this Agreement hereby irrevocably consents to service of process in the manner provided for notices in Section 9.5. Nothing in this Agreement shall affect the right of any party to this Agreement to serve process in any other manner permitted by applicable Law.

9.4.3. Arbitration

(i) Any disputes arising between the parties relating to this Agreement, or its interpretation, execution or breach thereof, shall be exclusively resolved by arbitration to be conducted and all decisions and awards shall be rendered in accordance with the rules of the Israeli Arbitration Law, 1968 (the "Arbitration Law"), which rules and procedures are deemed to be incorporated by reference into this Agreement, except as otherwise provided herein. Any such arbitration (including its existence, any material exchanged or disclosed therein, the proceedings and the arbitrator's award) shall be conducted on a confidential basis, in the Hebrew language, in Tel Aviv, Israel (or as determined by the arbitrator), by one arbitrator who shall be an attorney admitted to practice in Israel or a retired judge, appointed pursuant by the parties upon mutual consent. However, if the parties are unable to agree on the identity of the arbitrator within 15 days of a party's request to appoint an arbitrator, then each party shall appoint one person within 7 days, and such persons shall determine the identity of the arbitrator within 7 days (from the end of aforesaid 7-days period); and if such two persons are unable to agree within the 7 days period, then the either Party may refer the determination of the identity of the arbitrator to the Chairman of the Tel Aviv District of the Israel Bar Association. All aspects of the arbitration proceedings, including all preliminary and post-ruling matters, shall be conducted in accordance with Israeli substantive laws then in force. The arbitrator shall be authorized to determine the procedural and evidentiary rules applicable to the arbitration and shall not be bound by rules of civil procedure or the principles governing admissibility of evidence. The arbitrator shall have the right to order discovery and to shall conduct such hearings or hear such presentations by the parties (either together or ex parte) as he in his sole discretion deems necessary. The arbitrator may meet with each of the parties separately, and the parties hereby undertake to fully cooperate with the arbitrator and provide him with all materials requested by him without any delays. The arbitration proceedings shall not exceed 30 Business Days from the commencement of the proceedings. The arbitrator shall be requested to provide its written determination within 30 days after the completion of the arbitration proceedings.

(ii) Notwithstanding anything in this Section 9.4.3, each party may seek interim injunctive relief from a court of competent jurisdiction provided that such interim injunction relief shall be until the arbitrator is appointed. The continuance of such interim relief may be determined by the arbitrator. No arbitration pursuant to this Agreement shall be stayed or delayed pending the outcome of any judicial or other proceedings.

(iii) The award of the arbitrator shall be in writing and shall include the basis and reasoning for its findings, and shall be conclusive and binding upon the parties, except as provided in the Arbitration Law. Judgment upon an arbitral award may be entered in any court of competent jurisdiction. The discretion of the arbitrator to fashion remedies hereunder shall not be broader than the legal and equitable remedies available to a court in Israel. The arbitrator shall have the right to order injunctive relief and the payment of attorneys' fees, costs and other damages. The findings and determination of the arbitrator in the arbitration award shall be final and binding on the parties, and may be challenged or subject to any appeal in accordance with the Arbitration Law only in an appeal arbitration conducted in accordance with the provisions of this Section 9.4.3.

(iv) Each of the parties to the arbitration shall pay its own expenses, and the parties shall share equally the fees and expenses of the arbitration proceeding (including the arbitration fees and expenses), unless otherwise determined by the arbitrator in its arbitration award.

(v) This Section shall constitute an arbitration agreement under the Arbitration Law. In the event of any contradiction between the provisions hereof and the Arbitration Law, the provisions of this Agreement shall prevail.

9.5. Notices. All notices and other communications under this Agreement shall be in writing shall be given or made by delivery in person (and shall be deemed to have been duly given upon such delivery), by overnight courier service (and shall be deemed to have been duly given two days after delivery to the courier service), by facsimile (with confirmation of transmission) or email (with confirmation of receipt) (and shall be deemed to have been duly given upon delivery, or if delivered on a non-Business Day or after recipient's business hours, on the first Business Day after delivery), or by registered or certified mail (postage prepaid, return receipt requested) (and shall be deemed to have been duly given five (5) days after delivery to the mail service) to the respective parties at the following addresses (or to such other address or contact details as a party may have specified by notice given to the other party pursuant to this provision, provided, however, that any notice of change of address or contact details shall only be valid upon actual receipt):

If to Conduit, to:

Omer Shmueli
Telephone: +972-8-946-1713
E-mail: Omer.Shmueli@conduit.com

If to the Company, to:

Keren Alony Edlund
Telephone: +972-8-946-1713
E-mail: Keren.Edlund@conduit.com

9.6. Severability. If any term or other provision of this Agreement is invalid, illegal, or incapable of being enforced by any law or public policy, all other terms or provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal, or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby are consummated as originally contemplated to the greatest extent possible.

9.7. Expenses. Whether or not the Closing is affected, and except as specifically and expressly provided otherwise in this Agreement, Conduit shall bear all costs and expenses incurred by any party in connection with the negotiation, execution and performance of this Agreement and each other Transaction Document and the consummation of the transactions contemplated hereby and thereby (including, without limitation, investment banking, financial advisors, legal and accounting fees). This Section shall survive the consummation, termination or expiration of this Agreement, the Closing and the transactions contemplated hereby.

9.8. Sole Remedy. The parties hereby agree that, from and after the Closing Date, the indemnification provisions set forth in Section 8 shall be the parties' sole and exclusive liability and remedy under or in connection with this Agreement and the other Transaction Documents with respect to any Damages incurred by either such party in connection with this Agreement and the other Transaction Documents; provided, however, that the foregoing shall not (a) apply to claims based on fraud by the other party, or (b) preclude either party from enforcing its right to specific performance. No party shall have the right to set-off or right of recoupment by Law.

9.9. Specific Performance. The parties acknowledge and agree that the breach of this Agreement may cause irreparable damage to the parties and that the parties may not have an adequate remedy at law. Therefore, the obligations of the parties under this Agreement shall be enforceable, subject to Section 9.4, by a decree of specific performance issued by any court of competent jurisdiction, and appropriate injunctive relief may be applied for and granted in connection therewith.

9.10. Interpretation. Each of the parties acknowledges that it had assessed the risk, uncertainties and benefits of the transactions contemplated by this Agreement and each Transaction Document to which it is a party, and that it was represented by legal counsel in the negotiation, execution and delivery of the Transaction Documents. Accordingly, and based on the foregoing facts, among other factors, each party acknowledges and agrees that, for purposes of interpreting this Agreement or any other Transaction Document, no party has had any preference in the design of the provisions of this Agreement (within the meaning of Section 25(b1) of the Contracts Law (General Part), 1973 (as amended)).

9.11. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and enforceable against the Parties actually executing such counterpart, and all of which together shall be considered one and the same agreement, it being understood that all parties need not sign the same counterpart. The exchange of an executed Agreement (in counterparts or otherwise) by facsimile transmission or by electronic delivery in .pdf format or the like shall be sufficient to bind the parties to the terms and conditions of this Agreement, as an original.

- Signature Pages Follow -

IN WITNESS WHEREOF, the parties hereto have caused this SPLIT AGREEMENT to be executed by their respective officers thereunto duly authorized, as of the date first written above.

ClientConnect Ltd.

By: /s/ Dror Erez
Name:
Title:

Conduit Ltd.

/s/ Ronen Shilo
CONDUIT LTD
I.D 513669671

By: /s/ Dror Erez
Name:
Title:

LIST OF SCHEDULES

Schedule 1.1.3	Definition of the Products
Schedule 1.1.6	List of Consultants
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TRANSITION SERVICES AGREEMENT

This Transition Services Agreement (this “**Agreement**”), dated as of this 31 day of December, 2013 is entered into by and between **CLIENTCONNECT LTD.**, a company organized under the laws of the State of Israel (the “**Company**”) and **CONDUIT LTD.**, a company organized under the laws of the State of Israel (the “**Conduit**”). The Company and Conduit are sometimes referred to as the “**Parties**” and each individually as a “**Party**”.

WHEREAS, the Company and Conduit have entered into that certain Split Agreement, dated as of September 16, 2013 (the “**Split Agreement**”), pursuant to which Conduit has agreed to assign and transfer to the Company, and the Company has agreed to receive and assume from Conduit, certain assets and liabilities of Conduit, all as more fully described therein;

WHEREAS, the Company and Conduit wish to enter into this Agreement, pursuant to which the Company will provide certain business support services and systems to Conduit subject to the terms and conditions set forth herein; and

WHEREAS, concurrently with entering into this Agreement, the Company and Conduit are entering into that certain Office and Administrative Services Agreement (the “**Admin Agreement**”), pursuant to which Conduit shall provide the Company with certain administrative and offices services as set forth therein and for the term of such agreement, *inter alia*, for the performance of the services by the Company to Conduit hereunder.

NOW, THEREFORE, in consideration of the mutual agreements and covenants hereinafter set forth, the Company and Conduit hereby agree as follows:

1. **DEFINITIONS.**

1.1. **Certain Definitions.** For purposes of this Agreement, the following terms shall have the meanings specified in this Section 1.1:

1.1.1 “**Affiliate**” means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person, and the term “control” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities, by contract or otherwise; provided that for purposes of this Agreement, Conduit and its Subsidiaries, on the one hand, and the Company and its Subsidiaries, on the other hand, shall not be deemed Affiliates of one another.

1.1.2 “**Business Day**” means any day of the year on which banking institutions in Israel are generally open to the public for conducting business and are not required by law to close.

1.1.3 “**Person**” means (whether or not a capitalized term) any individual, corporation, partnership, limited liability company, firm, joint venture, association, joint-stock company, trust, estate, unincorporated organization, Governmental Body or other entity, including, any party to this Agreement.

1.1.4 “**Representative(s)**” means, with respect to any Person, such Person's Affiliates and the respective directors, officers, employees, agents, consultants, advisors and other representatives, including legal counsel, accountants and financial advisors of such Person and its Affiliates, and the successors and assigns of any of the foregoing; provided that for purposes of this Agreement, Conduit and the Company themselves shall not be deemed Affiliates of one another.

1.1.5 “Subsidiary” of any Person means any other Person (i) of which the first Person owns directly or indirectly fifty percent (50%) or more of the equity interest in the other Person, or (ii) of which (or in which) an amount of the voting securities, other voting ownership or voting partnership interests of which is sufficient to elect at least a majority of its board of directors or other governing body (or, if there are no such voting interests, more than fifty percent (50%) of the equity interests of which) is directly or indirectly owned or Controlled by the first Person, by such Person with one or more of its Subsidiaries or by one or more of such Person’s other Subsidiaries, or (iii) in which the first Person has the contractual or other power to designate a majority of the board of directors or other governing body.

1.2. Terms Generally. The definitions in this Agreement shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The words “herein”, “hereof” and “hereunder” and words of similar import refer to this Agreement (including the schedules, certificate or documents ancillary to this Agreement) in its entirety and not to any part hereof unless the context shall otherwise require. All references herein to Sections, Exhibits and Schedules shall be deemed references to Sections of, Exhibits to and Schedules to, this Agreement unless the context shall otherwise require. Unless the context shall otherwise require, any references to any agreement or other instrument or statute or regulation are to it as amended and supplemented from time to time (and, in the case of a statute or regulation, to any successor provisions). Any reference to any national, federal, state, local, or foreign statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. Any reference in this Agreement to a “day” or a number of “days” (without explicit reference to “Business Days”) shall be interpreted as a reference to a calendar day or number of calendar days. If any action is to be taken or given on or by a particular calendar day, and such calendar day is not a Business Day, then such action may be deferred until the next Business Day.

2. THE SERVICES.

2.1. The Company shall provide Conduit and its Subsidiaries with the business support services and systems (collectively, the “Services”), detailed in Exhibit A attached hereto, on the other terms and conditions set forth in Exhibit A and this Agreement.¹

2.2. Each Party shall appoint a person that shall serve as the coordinator on behalf of such Party for any matter relating to this Agreement, including all notices, requests and other communications relating thereto this Agreement (but other than invoices). Initially, the coordinators shall be:

- 2.2.1. On behalf of the Company:
Nadav Kishoni
Office Phone: 972-8-946173
Email: Nadav@conduit.com
- 2.2.2. On behalf of Conduit:
Ofer Glik
Office Phone: 972-8-9461713
Email: Ofer@conduit.com

2.3. The Services shall be provided in a reasonable commercial standard, and with reasonable commercial efforts or care.

¹ The scope of the services shall be examined prior to the Closing and adjusted to include the Services actually required; Exhibit B shall be amended correspondingly.

2.4. When on the property of or leased by Conduit or its Subsidiaries, or when given access to any equipment, computer, software, network or files owned, controlled or used by Conduit or its Subsidiaries, the Company shall use reasonable standard of care and diligence.

2.5. The Services shall be carried out by the Company's Representatives, and the Company shall be liable for any act or omission under or breach by its Representatives of this Agreement.

2.6. The Parties acknowledge the transitional nature of the Services, and accordingly, the Parties will cooperate with each other and use commercially reasonable efforts, including making available the relevant personnel, to make a transition of each Service (such as, the Data Services, Experiment or Billing services) to the internal organization and use of Conduit and its Subsidiaries or third-party service providers selected by Conduit or its Subsidiaries, in a smooth and orderly manner, in accordance with instructions of Conduit. The consideration for such transition services shall be invoiced by the Company from Conduit at the rate per hour or cost set forth in Exhibit B.

3. **CONSIDERATION.**

3.1. The consideration to be paid by Conduit to the Company per full calendar month of the Services is as set forth in Exhibit B attached hereto, plus VAT, if applicable (the "Consideration"). The Consideration for Services rendered for less than a full calendar month shall be calculated on a pro-rata basis.

3.2. To the extent that the Services hereunder requires the Company for additional costs, including without limitation, hiring or engaging additional employees or third parties and/or the purchase of additional licenses or equipment, the Consideration shall be increased proportionally based on the principles on which the Consideration is determined in Exhibit B, provided that the Consideration shall not be amended if the scope of such additional expenses does not exceed 20% of the aggregate Consideration as reflected in Exhibit B as the date hereof or as of the date of any future amendment pursuant to this Section, as the case may be.

3.3. To the extent that the Services hereunder requires the Company for less costs, including without limitation, less employee or third parties work hours and/or less licenses or equipment, the Consideration shall be decreased proportionally based on the principles on which the Consideration is determined in Exhibit B, provided that the Consideration shall not be amended if the scope of such reduced Services does not reflect a reduction to at least 20% of the aggregate Consideration as reflected in Exhibit B as the date hereof or as of the date of any future amendment pursuant to this Section, as the case may be, provided that, one-time expense that was incurred prior to such date and cannot be refunded by the Company will continue to be charged until termination of this Agreement in accordance with the principles set forth in Exhibit B.

3.4. The Consideration shall be paid in arrears on a monthly basis, within 35 days from the end of the month in which the invoice was issued, and subject to receipt by Conduit of a proper tax invoice. Invoices shall be issued by the Company and delivered to Conduit within 7 Business Day of the end of each month, with respect to the then ending calendar month.

3.5. The Consideration shall be paid by Conduit to the Company in US dollars by wire transfer of immediately available funds to the Company's bank account, as designated by it in writing.

3.6. No set-off or deduction is permitted from any amount due by Conduit hereunder, whether by applicable law or otherwise (including the Split Agreement and the Admin Agreement), unless agreed to by the Company.

3.7. The Company shall bear and be responsible for all taxes due by it in connection with the Consideration paid hereunder. Except for VAT, all payments made by Conduit to the Company hereunder are deemed inclusive of all taxes levied or imposed upon or in connection with the Services. Conduit shall be entitled to withhold from any payment made to the Company, any tax required to be withheld pursuant to applicable law, provided, however, no deduction and withholding of any such amounts shall be made if the Company shall present a valid certificate(s) of exemption from withholding or deduction from the relevant tax authority.

3.8. Other than the Consideration, which consideration shall be deemed full consideration for the Services provided hereunder, the Company shall not be entitled to any other consideration for its Services rendered hereunder.

4. INDEPENDENT CONTRACTOR

4.1. The Company is performing the Services hereunder as an independent contractor and no employer-employee relationship exists or will exist between the Company and Conduit (or its Subsidiaries), nor between any Company's Representatives and Conduit (or its Subsidiaries). For the sake of clarity, neither the Company, nor any Company Representatives shall be covered by any Conduit employee benefit schemes and/or insurance policies of Conduit or its Subsidiaries. The Company shall solely be responsible to pay all taxes, payments, salary, social benefits, national insurance and any amounts due under applicable law with respect to it and its Representatives.

4.2. The Company will defend, indemnify, and hold Conduit, its Representatives and any third party on their behalf, harmless from and against all claims, damages, losses, and expenses, including reasonable fees and expenses of attorneys and other professionals which may be incurred, suffered or imposed upon Conduit and/or its Representatives in respect of any withholding taxes, social security, unemployment or disability insurance, social benefits, vacation, severance payment or other payments whatsoever or deriving from the existence of employer-employee relationship between the Company or any of its Representatives and Conduit or its Subsidiaries.

4.3. The Company shall maintain at its own expense the insurance policies with commercially reasonable coverage as required in connection with the Services hereunder, the employment or engagement of its Representatives and otherwise its operation.

4.4. The Company shall be responsible, at its expense, to independently obtain, purchase, maintain and renew any third party licenses required for or obtain the required consent or right to use (or a renewal of a right of use that has terminated or expired) such third party licenses, for its own purposes or operations, *provided however*, that it may charge Conduit at cost only for those third party licenses that are required for the performance of the Services if there is an incremental cost per user, and based on the number of users required by Conduit at such time.

5. INDEMNIFICATION.

The Company will defend, indemnify and hold harmless Conduit and its Representatives from and against any and all direct damages, costs and expenses (including reasonable attorneys' fees) which may be incurred or suffered by them which may arise out of or in connection with the Company's failure to provide the Services as required by and in accordance with this Agreement. Conduit shall provide the Company with written notice of a matter that may give rise to indemnification under this Section as soon as reasonably practical after becoming aware of any such matter. No delay in delivery of such written notice shall relieve the Company of its obligation under this Section 5, unless and to the extent that the Company is materially prejudiced thereby. Any such defense by the indemnifying party shall be with the indemnifying party's choice of counsel approved in advance and in writing by the indemnified party (which approval shall not be unreasonably withheld). The indemnified party will also cooperate with the indemnifying party, in defending or settling such claim and the indemnified party may join in defense with counsel of its choice at its own expense. The indemnification hereunder shall be limited to an aggregate amount of up to \$700,000. The Parties hereby agree that the indemnification hereunder shall not apply to the extent that the delay or failure in the performance or rendering of any Service results from: (i) the Transferred Assets (as defined in the Split Agreement) are insufficient for the performance of the Services, or (ii) the Employees and Consultants (as defined in the Split Agreement) are insufficient for the performance of the Services, or (iii) any cause beyond the Company's reasonable control, including force majeure, termination of employees and consultants of the Company which is not as a result of material reduction in such terminating employees or consultants compensation terms, or a material reduction in employees or consultants authority, duties or responsibilities; or (iv) actions or omission of Conduit or its Representatives or a breach by any of them of this Agreement.

6. SERVICES RESULTS.

Any output and outcome delivered to Conduit and/or its Subsidiaries, or work product, derivatives, feedback, solely as a result of the performance of the Services (the "Services Results") shall be "works for hire" as defined under the applicable national and international copyright law and shall be owned solely and exclusively by Conduit and/or its Subsidiaries. The Company hereby assigns, for no additional consideration, to Conduit, its Subsidiaries and their successors and assigns all of the rights title, interests, and copyright therein. The Parties hereby agree that any modification to the infrastructure shall not be considered Services Results.

7. CONFIDENTIAL INFORMATION.

7.1. "Confidential Information" means any and all information of a Party (the "Disclosing Party") and or its Representatives to which the other Party and its Representatives (the "Receiving Party") may have access to and/or exposed to in connection with this Agreement and (in the case of Conduit as the Disclosing Party) the Services Results. Such Confidential Information may include, without limitation, trade secrets, know-how, inventions, technical data or specifications, testing methods, business or financial information, research and development activities, product and marketing plans, and customer and supplier information. Confidential Information shall not include material or information which: (i) is in the public domain at the time of disclosure by the Disclosing Party or subsequently becomes so through no fault of the Receiving Party; (ii) is furnished to the Receiving Party and/or its Representatives by a third party having a lawful right to do so and without any obligation of confidentiality to the Disclosing Party or its Representatives; (iii) was explicitly approved for release by written authorization of the Disclosing Party or its Representatives; or (iv) is independently developed by the Receiving Party, without benefit of Confidential Information, as evidenced by its written records.

7.2. The Receiving Party shall, and shall cause its Representatives, to (i) maintain all Confidential Information in strict confidence; (ii) use the same degree of care in safeguarding Confidential Information, as it uses for its own confidential information of the highest importance, but in any case at least a reasonable degree of care; and (iii) not to, directly or indirectly, disclose, reveal, divulge or communicate to any Person, or use, any Confidential Information, and undertake that all its Representatives that render or provide Services are subject to confidentiality and non-use undertakings similar to those contained herein; provided that the Company may use all Confidential Information solely for the purpose of providing the Services. Confidential Information is and shall remain the sole and exclusive property of the Disclosing Party, and no license or other rights to Confidential Information are granted or implied hereby. The Receiving Party shall be responsible for any breach of this Section 7 by its Representatives and shall notify Disclosing Party in writing should it become aware of any misappropriation or misuse of Confidential Information.

7.3. In the event that the Receiving Party is being legally compelled or requested (by deposition, interrogatory, request for documents, subpoena, civil investigative demand or similar process) to disclose any of the Confidential Information, the Receiving Party shall provide, prior to disclosure if at all possible, Disclosing Party with immediate written notice of the request so that Disclosing Party may, in its sole discretion, seek a protective order or other appropriate remedy or waive compliance with the terms of this Agreement. The Receiving Party shall, upon Disclosing Party's request, take reasonable steps to assist Disclosing Party in contesting the request for disclosure. In the event that a protective order or other remedy is not obtained, or that Disclosing Party waives compliance with the provisions of this Agreement, the Receiving Party shall furnish only that portion of the Confidential Information which it is legally required and to exercise all reasonable efforts to obtain assurance that confidential treatment will be accorded to the Confidential Information. In addition, the Receiving Party shall maintain and make available to Disclosing Party a record and copies of any such Confidential Information disclosed.

7.4. Without limiting the foregoing, the Receiving Party shall not embody any portion of the Confidential Information in any product, process or in any patent application filed by or on behalf of the Receiving Party, including, but not limited to, in a blocking patent application. Any patent application filed by the Receiving Party in violation of this Agreement shall be the property of the Disclosing Party, and the Receiving Party shall assign and transfer to the Disclosing Party the entire right, title and interest, in and to any such applications and any letters patents granted thereon in any country.

7.5. Upon the Disclosing Party's request (at any time) or upon termination of this Agreement, Receiving Party shall immediately cease all use of the Confidential Information and return to Disclosing Party or, at Disclosing Party's option, destroy all materials and documentation consisting of or relating to the Confidential Information and certify to Disclosing Party in writing such return or destruction.

7.6. This Section 0 shall not restrict the Receiving Party and its Representatives from acting in accordance with this Agreement or the Split Agreement nor shall it derogate or limit any rights thereunder and the Receiving Party shall be permitted to use or disclose Confidential Information if such disclosure is permitted under this Agreement or the Split Agreement.

7.7. For so long as the Agreement remains in effect and 24 months following its expiration or early termination, the Receiving Party's obligations of confidence, non-disclosure, and non-use hereunder shall continue and survive with respect to Confidential Information received or generated while the Agreement was in effect.

8. NON-SOLICITATION

8.1. Each Party undertakes towards the other Party that during the term of this Agreement and for a period of 24 months thereafter each it shall not, directly or indirectly, encourage or solicit any officer, employee or consultant of the other Party, or induce or attempt to induce any such officer, employee or consultant to terminate, reduce or adversely modify the scope or terms of his or her engagement with the other Party or its Affiliates. This Section shall survive the termination or expiration of this Agreement, in accordance with its terms.

8.2. Each of the Parties acknowledges, represents and warrants that in light of the Services and the transaction contemplated hereby and under the Split Agreement and Admin Agreement, and in view of each Party's exposure and access of the other Party and its personnel and valuable proprietary information, the provisions of this Section 8 are reasonably necessary for the protection of the other Party's interests under this Agreement, the Split Agreement and Admin Agreement, and are not unduly restrictive upon it or any Affiliates thereof.

9. TERM.

9.1. This Agreement shall commence on the date hereof and unless otherwise terminated pursuant to Section 10 below, shall terminate on the date that is 8 months of the date hereof, other than the Data Services which shall terminate on the date that is the 16 months anniversary of the date hereof (the "**End Date**").

9.2. At Conduit's request, the End Date with respect to the Data Services may be extended for additional 8 months (the "Extension Period"), provided that the Consideration with respect to the Data Services shall be automatically increased by 20% of the Consideration as of the Extension Period. The Services to be rendered during such Extension Period shall be set out in a new Exhibit A, replacing Exhibit A attached hereto. The consideration for the Services during such agreed upon Extension Period shall be based on the principles on which the Consideration was determined in Exhibit B, and shall be set out in a new Exhibit B, replacing Exhibit B attached hereto. Except as set forth above, this Agreement shall continue to apply during the Extension Period with the End Date being the last date of the Extension Period.

10. TERMINATION

10.1. Conduit may terminate this Agreement or any specific Service (including any sub-service, being a line item specified in Exhibit A) and this Agreement with respect to such Service (or sub-service), in whole or in part, upon thirty (30) days' prior written notice to the Company. In any case in which this Agreement is terminated only with respect to a specific Service or sub-service, then the consideration for such terminated Service or sub-service shall be removed and deducted from Exhibit B (or, if applicable, based on the principles on which the Consideration was determined in Exhibit B), and effective as of the date of such termination such Exhibit B as so revised shall be incorporated by reference to this Agreement, without any further action.

10.2. Any Party (the "**Non-Breaching Party**") may terminate this Agreement with respect to any Service, in whole but not in part, at any time upon prior written notice to the other Party (the "**Breaching Party**") if the Breaching Party has failed to perform any of its material obligations under this Agreement relating to the Service or the nonpayment of Consideration, and such failure shall have continued without cure for a period of thirty (30) days after receipt by the Breaching Party of a written notice of such failure from the Non-Breaching Party.

10.3. Upon any of the following: (i) a Party files any petition or action for relief under any bankruptcy, reorganization, insolvency or moratorium law or any other law for the relief of, or relating to, debtors (collectively "**Bankruptcy Laws**"), or makes any assignment for the benefit of creditors or takes any corporate action in furtherance of any of the foregoing; (ii) the appointment of a receiver or trustee over the whole or any part or a Party's assets; (iii) the calling by a Party of a meeting of creditors for the purpose of entering into a scheme or arrangement; (iv) any filing of an involuntary petition or proceeding under any Bankruptcy Laws against a Party, which has not been dismissed within 45 days thereafter; (v) a Party adopts one or more resolutions for dissolution, liquidation, bankruptcy, or reorganization or winding-up of the Party; the other Party shall have the right to immediately terminate this Agreement by providing written notice (it being clarified that any such event shall not excuse the Parties from their obligations hereunder if the other Party did not elect to so terminate this Agreement). Each Party shall notify the other Party in writing immediately upon becoming aware of the occurrence of any of the above events (without regard to any grace or cure period specified therein) or of events or circumstances which may reasonably be expected to result in any of the above events.

10.4. Effect of Termination.

10.4.1. Upon termination of this Agreement, any accrued charges then unpaid by Conduit shall remain due and payable in accordance with the terms provided in this agreement.

10.4.2. Upon expiration or other termination of this Agreement in accordance with the terms hereof, the Parties shall cooperate in the orderly termination of the Services, including, without limitation, the transfer and delivery to Conduit of any work product or other materials produced or created by the Company in the course of performing the Services (if any) and transitioning the Services to Conduit or any other third party it may choose, as well as the return to Conduit of any equipment or other materials owned by Conduit and maintained by the Company for purposes of providing the Services.

10.4.3. Upon termination of this Agreement, all obligations of the parties hereto shall terminate, except for the provisions of this Section 10.4 and Sections 2.6, 4-8 and 11 which shall survive any termination or expiration of this Agreement.

11. MISCELLANEOUS.

11.1. Entire Agreement. This Agreement, including its Exhibits (which are be incorporated by reference to this Agreement), constitute the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and supersedes all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter.

11.2. Amendments; Waivers. Any provision of this Agreement may be amended or waived if, and only if, such amendment or waiver is in writing and signed, in the case of an amendment, by both Parties, or in the case of a waiver, by the Party against whom the waiver is to be effective. No waiver by a Party of any default, misrepresentation or breach of a warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation or breach of a warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent occurrence. No failure or delay by a Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

11.3. Successors and Assigns. No Party may transfer or assign either this Agreement or any of its rights, interests or obligations hereunder, without the prior written approval of the other Party; provided, however, that either Party may assign any or all of its rights and interests hereunder to one or more of its Affiliates or any successor of such Party or its Affiliates by merger, by purchase of all or substantially all of the asset or stock of such Party or any line of business at any time. Subject to the foregoing this Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors, heirs, personal representatives and permitted assigns.

11.4. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Israel, without giving effect to the rules of conflict of laws thereof.

11.5. Submission to Jurisdiction. Subject to the arbitration provisions in Section 11.6, each of the Parties hereby irrevocably and unconditionally submits, for itself and its assets and properties, to the exclusive jurisdiction of the competent courts located in Tel-Aviv-Jaffa, Israel, in any action or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby, or for recognition or enforcement of any judgment relating thereto, and each of the Parties to this Agreement hereby irrevocably and unconditionally (i) agrees not to commence any such action or proceeding except in such courts; (ii) agrees that any claim in respect of any such action or proceeding may be heard and determined in such court or; (iii) waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any such action or proceeding in any such court; and (iv) waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court. Each of the Parties to this Agreement hereby agrees that a judgment in any such action or proceeding may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Each of the Parties to this Agreement hereby irrevocably consents to service of process in the manner provided for notices in Section 11.7. Nothing in this Agreement shall affect the right of any Party to this Agreement to serve process in any other manner permitted by applicable law.

11.6. Arbitration

11.6.1. Any disputes arising between the parties relating to this Agreement, or its interpretation, execution or breach thereof shall be exclusively resolved by arbitration to be conducted and all decisions and awards shall be rendered in accordance with the rules of the Israeli Arbitration Law, 1968 (the "Arbitration Law"), which rules and procedures are deemed to be incorporated by reference into this Agreement, except as otherwise provided herein. Any such arbitration (including its existence, any material exchanged or disclosed therein, the proceedings and the arbitrator's award) shall be conducted on a confidential basis, in the Hebrew language, in Tel Aviv, Israel (or as determined by the arbitrator), by one arbitrator who shall be an attorney admitted to practice in Israel or retired judge, appointed by the Parties upon mutual consent, however, if the Parties are unable to agree on the identity of the arbitrator within 15 days of a Party's request to appoint an arbitrator, then each Party shall appoint one person within 7 days, and such persons shall determine the identity of the arbitrator within 7 days (from the end of aforesaid 7-days period); and if such two persons are unable to agree within the 7 days period, then the either Party may refer the determination of the identity of the arbitrator to the Chairman of the Tel Aviv District of the Israel Bar Association. All aspects of the arbitration proceedings, including all preliminary and post-ruling matters, shall be conducted in accordance with Israeli substantive laws then in force. The arbitrator shall be authorized to determine the procedural and evidentiary rules applicable to the arbitration and shall not be bound by rules of civil procedure or the principals governing admissibility of evidence, the arbitrator shall have the right to order discovery and to shall conduct such hearings or hear such presentations by the Parties (either together or ex parte) as it in its sole discretion deems necessary. The arbitrator may meet with each of the Parties separately, and the Parties hereby undertake to fully cooperate with the arbitrator and provide him with all materials requested by him without any delays. The arbitration proceedings shall not exceed 30 Business Days from the commencement of the proceedings. The arbitrator shall be requested to provide its written determination within 30 days after the completion of the arbitration proceedings.

11.6.2. Notwithstanding anything in this Section 11.6, each Party may seek interim injunctive relief from a court of competent jurisdiction provided that such interim injunction relief shall be until the arbitrator is appointed. The continuance of such interim relief may be determined by the arbitrator. No arbitration pursuant to this Agreement shall be stayed or delayed pending the outcome of any judicial or other proceedings.

11.6.3. The award of the arbitrator shall be in writing and shall include the basis and reasoning for its findings, and shall be conclusive and binding upon the Parties, except as provided in the Arbitration Law. Judgment upon an arbitral award may be entered in any court of competent jurisdiction. The discretion of the arbitrator to fashion remedies hereunder shall not be broader than the legal and equitable remedies available to a court in Israel. The arbitrator shall have the right to order injunctive relief and the payment of attorneys' fees, costs and other damages. The findings and determination of the arbitrator in the arbitration award shall be final and binding on the Parties, and may be challenged or subject to any appeal in accordance with the Arbitration Law only in an appeal arbitration conducted in accordance with the provisions of this Section 11.6.

11.6.4. Each of the Parties to the arbitration shall pay its own expenses, and the Parties shall share equally the fees and expenses of the arbitration proceeding (including the arbitration fees and expenses), unless otherwise determined by the arbitrator in its arbitration award.

11.6.5. This Section shall constitute an arbitration agreement under the Arbitration Law. In the event of any contradiction between the provisions hereof and the Arbitration Law, the provisions of this Agreement shall prevail.

11.7. Notices. All notices and other communications under this Agreement shall be in writing shall be given or made by delivery in person (and shall be deemed to have been duly given upon such delivery), by overnight courier service (and shall be deemed to have been duly given two days after delivery to the courier service), by facsimile or email (and shall be deemed to have been duly given after transmission in full with electronic confirmation of transmission, or if delivered on a non-Business Day or after recipient's business hours, on the first Business Day after transmission), or by registered or certified mail (postage prepaid, return receipt requested) (and shall be deemed to have been duly given five (5) days after delivery to the mail service) to the respective parties at the following addresses (or to such other address or contact details as a party may have specified by notice given to the other party pursuant to this provision, provided, however, that any notice of change of address or contact details shall only be valid upon actual receipt):

If to Conduit, to:

[]

Telephone: +972- -

Facsimile: +972- -

Attention:

E-mail:

If to the Company, to:

[]

Telephone: +972- -

Facsimile: +972- -

Attention:

E-mail:

11.8. Specific Performance. Each Party hereby acknowledges and agrees that the failure of any Party to perform its agreements and covenants hereunder, including its failure to take all actions as are necessary on its part for the consummation of the transactions contemplated herein, may cause irreparable injury to the other Party, for which damages, even if available, may not be an adequate remedy. Accordingly, each Party hereby consents to the issuance of injunctive relief by any court of competent jurisdiction to compel performance of such Party's obligations and to the granting by any court of the remedy of specific performance of its obligations hereunder.

11.9. Severability. If any provision of this Agreement, or the application thereof to any Person, place or circumstance, shall be held by a court of competent jurisdiction to be invalid, unenforceable or void, the remainder of this Agreement and such provisions as applied to other Persons, places and circumstances shall remain in full force and effect only if, after excluding the portion deemed to be unenforceable, the remaining terms shall provide for the consummation of the transactions contemplated hereby in substantially the same manner as originally set forth at the later of the date this Agreement was executed or last amended.

11.10. Captions. The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof. All references to a Section or Exhibit are references to a Section or Exhibit of this Agreement, unless otherwise specified, and include all subparts thereof.

11.11. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and enforceable against the Parties actually executing such counterpart, and all of which together shall be considered one and the same agreement, it being understood that all parties need not sign the same counterpart. The exchange of an executed Agreement (in counterparts or otherwise) by facsimile transmission or by electronic delivery in .pdf format or the like shall be sufficient to bind the parties to the terms and conditions of this Agreement, as an original.

- SIGNATURE PAGE FOLLOWS -

IN WITNESS WHEREOF, the parties hereto have caused this Transition Services Agreement to be executed as of the date first written above.

CONDUIT LTD.

By: /s/ Ronen Shilo
Name: Ronen Shilo
Title: CEO

CLIENTCONNECT LTD.

By: /s/ Dror Erez
Name:
Title:

OFFICE AND ADMINISTRATION SERVICES AGREEMENT

This Office and Administration Services Agreement (this "**Agreement**"), dated as of this 31 day of December, 2013, is entered into by and between **CLIENTCONNECT LTD.**, a company organized under the laws of the State of Israel (the "**Company**"); and **CONDUIT LTD.**, a company organized under the laws of the State of Israel (the "**Conduit**"). The Company and Conduit are sometimes referred to as the "**Parties**" and each individually as a "**Party**".

WHEREAS, the Company and Conduit have entered into that certain Split Agreement (the "**Split Agreement**"), dated as of September 16, 2013, pursuant to which Conduit has agreed to assign and transfer to the Company, and the Company has agreed to receive and assume from Conduit, certain assets and liabilities of Conduit, all as more fully described therein;

WHEREAS, concurrently with entering into this Agreement, the Company and Conduit are entering into that certain Transition Services Agreement (the "**TSA**"), pursuant to which the Company shall provide Conduit with certain business support services and systems as set forth therein and for the term of such agreement; and

WHEREAS, the Company and Conduit wish to enter into this Agreement, pursuant to which Conduit will provide certain services to the Company, including office space, *inter alia*, for the performance of the services by the Company to Conduit under the TSA, all subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual agreements and covenants hereinafter set forth, the Company and Conduit hereby agree as follows:

1. DEFINITIONS

1.1. **Certain Definitions.** For purposes of this Agreement, the following terms shall have the meanings specified in this Section 1.1:

1.1.1 "**Affiliate**" means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person, and the term "control" (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities, by contract or otherwise; provided that for purposes of this Agreement, Conduit and its Subsidiaries, on the one hand, and the Company and its Subsidiaries, on the other hand, shall not be deemed Affiliates of one another.

1.1.2 "**Business Day**" means any day of the year on which banking institutions in Israel are generally open to the public for conducting business and are not required by law to close.

1.1.3 "**Person**" means (whether or not a capitalized term) any individual, corporation, partnership, limited liability company, firm, joint venture, association, joint-stock company, trust, estate, unincorporated organization, Governmental Body or other entity, including, any party to this Agreement.

1.1.4 "**Representative(s)**" means, with respect to any Person, such Person's Affiliates and the respective directors, officers, employees, agents, consultants, advisors and other representatives, including legal counsel, accountants and financial advisors of such Person and its Affiliates, and the successors and assigns of any of the foregoing; provided that for purposes of this Agreement, Conduit and the Company themselves shall not be deemed Affiliates of one another.

1.1.5 “Subsidiary” of any Person means any other Person (i) of which the first Person owns directly or indirectly fifty percent (50%) or more of the

equity interest in the other Person, or (ii) of which (or in which) an amount of the voting securities, other voting ownership or voting partnership interests of which is sufficient to elect at least a majority of its board of directors or other governing body (or, if there are no such voting interests, more than fifty percent (50%) of the equity interests of which) is directly or indirectly owned or Controlled by the first Person, by such Person with one or more of its Subsidiaries or by one or more of such Person’s other Subsidiaries, or (iii) in which the first Person has the contractual or other power to designate a majority of the board of directors or other governing body.

1.2. Terms Generally. The definitions in this Agreement shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The words “herein”, “hereof” and “hereunder” and words of similar import refer to this Agreement (including the schedules, certificate or documents ancillary to this Agreement) in its entirety and not to any part hereof unless the context shall otherwise require. All references herein to Sections, Exhibits and Schedules shall be deemed references to Sections of, Exhibits to and Schedules to, this Agreement unless the context shall otherwise require. Unless the context shall otherwise require, any references to any agreement or other instrument or statute or regulation are to it as amended and supplemented from time to time (and, in the case of a statute or regulation, to any successor provisions). Any reference to any national, federal, state, local, or foreign statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. Any reference in this Agreement to a “day” or a number of “days” (without explicit reference to “Business Days”) shall be interpreted as a reference to a calendar day or number of calendar days. If any action is to be taken or given on or by a particular calendar day, and such calendar day is not a Business Day, then such action may be deferred until the next Business Day.

2. THE SERVICES

2.1. Office and Administration Services. Conduit shall provide the Company with the office and administration services (collectively the “Services”), as detailed in Exhibit A attached hereto, on the other terms and conditions set forth in Exhibit A and this Agreement. The Parties shall, in good faith, coordinate with each other to ensure the physical split between Conduit’s employees and the Company’s employees. The Services shall also include reasonable administration services (including parking, access to building, and office space), subject to availability of such services at such time, to employees of Affiliates of the Company that are visitors or while conducting work meeting with Company’s employees, in a reasonable frequency and number of participants.

2.2. Coordinator. Each Party shall appoint a person that shall serve as the coordinator on behalf of such Party for any matter relating to this Agreement, including all notices, requests and other communications relating thereto this Agreement (but other than invoices). Initially, the coordinators shall be:

- 2.2.1. On behalf of the Company:
Nadav Kishoni
Office Phone: 972-8-946173
Email: Nadav@conduit.com
- 2.2.2. On behalf of Conduit:
Ofer Glik
Office Phone: 972-8-9461713
Email: Ofer@conduit.com

2.3. Service Standard. The Services set forth in Exhibit A shall be provided in a manner, quality and standard consistent with the manner these Services were conducted by Conduit prior to the date hereof and in no event less than a reasonable commercial standard. Any employee, service provider or Person named on Exhibit A may be replaced by Conduit, at its discretion and Conduit shall be entitled to terminate and engage such Persons to perform the Services in accordance with its practices and at its discretion. Acknowledging that Representatives of both Parties are located in the Premises, the Company shall not improve or modify any administrative or office related services or benefits (excluding the Services) granted to its Representatives, as compared to those afforded by Conduit to its Representatives, without Conduit's prior written consent.

2.4. Employee Limit. The Services are provided only with respect to such number of employees of Company as of the date hereof (being the Employees as defined in the Split Agreement) (the "Employee Limit"). Any request by the Company to be provided with Services in respect of personnel exceeding the Employee Limit, shall be subject to Conduit's prior written consent, which consent shall not be unreasonably withheld, at its discretion (including, the availability of office space in its premises (the "Premises"), and without any obligation on Conduit to take additional premises or renew or extend any lease). Such consent may include a change to the Consideration.

2.5. Third Party Licenses. To the extent any third party intellectual property licenses required to be maintained by the Company for granting services under the TSA ("Third Party Licenses") may not be assigned by Conduit to the Company pursuant to the Split Agreement, then for as long as the Company provides services to Conduit under the TSA from the Premises in accordance with this Agreement, the Services shall include such Third Party Licenses until the Closing Date of the Split Agreement. Thereafter, the Company shall be responsible, at its expense, to independently obtain, purchase, maintain and renew any Third Party Licenses required for or obtain the required consent or right to use (or a renewal of a right of use that has terminated or expired) such Third Party Licenses, for its own purposes or operations (including, the rendering of Services under the TSA).

2.6. Services of Certain Employees. To the extent that the transfer of any employee to the Company pursuant to the Split Agreement requires a permit from the Supervisor of the Women Work Law in the Ministry of Economy, and such permit shall not have been obtained prior to the Closing Date (as defined in the Split Agreement), then the services of such employee shall be deemed to be included in the Services to the same extent and scope of such employee's employment in Conduit and under the same terms, and the Company shall reimburse Conduit for the employer cost and any employee benefits of such employee until the earlier of such time as the required permit is granted or the termination of employment of such employee. The above reimbursement shall be added to the Consideration and paid on the same terms and payment schedule.

2.7. Transportation Safety Officer. Following the date hereof and within no later than 30 days, the Company shall deliver a notice pursuant to Section 581 of the Transportation Regulation, 1981 relating to the appointment of the Transportation Safety Officer of Conduit as its Transportation Safety Officer as well, indicating the affiliation between the parties and their location in the same Premises. In the event that the same Transportation Safety Officer may not serve for both Parties, the Company shall be responsible to independently engage and appoint such an officer, if and to the extent required by law.

3. **CONSIDERATION**

3.1. The consideration for the Services shall be as follows (the "Consideration"):

3.1.1. A fixed monthly cost equal to the "cost per employee" as set forth in Exhibit B attached hereto; *multiplied* by the number of employees of the Company as of the last day of that month, subject to Section 3.1.2; plus

3.1.2. A one-time set-up fee per new employee equal to the “new employee” cost as set forth in Exhibit B attached hereto; *multiplied* by the number of employees of the Company in any calendar month to the extent exceeding the Employee Limit (subject to Section 2.4).

3.1.3. The Consideration for Services rendered for less than a full calendar month (including, by virtue of termination of employment of an employee of the Company during such month) shall be calculate based on a pro-rata basis.

3.2. The Consideration, plus VAT, if applicable, shall be paid in arrears on a monthly basis, within 35 days from the end of the month in which the invoice was issued, and subject to receipt by the Company of a proper detailed tax invoice. Invoices shall be issued by Conduit and delivered to the Company within 7 Business Days of the end of each month, with respect to the then ending calendar month.

3.3. The Consideration shall be paid by the Company to Conduit in US dollars by wire transfer of immediately available funds to Conduit’s bank account, as designated by it in writing.

3.4. No set-off or deduction is permitted from any amount due by the Company to Conduit hereunder, whether by applicable law or otherwise (including amounts due under the TSA or Split Agreement), unless agreed to by Conduit.

3.5. Conduit shall bear and be responsible for all taxes due by it in connection with the Consideration paid hereunder. Except for VAT, all payments made by the Company to Conduit hereunder are deemed inclusive of all taxes levied or imposed upon or in connection with the Services. The Company shall be entitled to withhold from any payment made to Conduit, any tax required to be withheld pursuant to applicable law, provided, however, that no deduction and withholding of any such amounts shall be made if Conduit shall present a valid certificate(s) of exemption from withholding or deduction from the relevant tax authority.

3.6. The Company may request modification or leasehold improvements in the Premises relating to the Company’s Representatives from Conduit, and if Conduit consents (which consent shall not be unreasonably withheld) to such request (upon the terms of such consent) then the costs and expenses associated therewith or to be incurred thereby shall solely be borne and paid by the Company.

4. REPRESENTATIONS AND WARRANTIES; COVENANTS

4.1. The Company represents, warrants and undertakes that:

4.1.1. It shall, and shall cause its Representatives to, use reasonable care in using, safeguarding and maintaining all equipment, property, infrastructure, furniture and all other such items provided by Conduit as part of the Services, other than ordinary wear and tear.

4.1.2. It shall, and shall cause its Representatives to, use the Services in a reasonable manner and not in an abusive or out of the ordinary manner or not for the purpose to which it is intended.

4.1.3. It shall, and shall cause its Representatives to, comply with the covenants and obligations of Conduit under those certain lease agreements relating to the Premises (copies of which was made available to the Company) as they relate to the use of the Premises, vacating the Premises and any liability arising therefrom.

4.1.4. It shall, and shall cause its Representatives to comply with Conduit’s rules and policies applicable to its employees as they relate to the subject matter of the Services, provided that such rules and policies shall be presented to the Company and its Representatives, in writing, by Conduit, from time to time.

4.1.5. When on the property of, or leased by, Conduit or its Subsidiaries or when given access to any equipment, computer, software, network or files owned, controlled or used by Conduit or its Subsidiaries, the Company shall and shall cause its Representatives to use the same standard of care and diligence used by it in regards to its own property and equipment and in no event less than reasonable standards of care and diligence.

4.1.6. The Company shall be liable for any act or omission under or breach by its Representatives of this Agreement.

4.2. In the event that Conduit is required to vacate the Premises or any portion thereof prior to August 30, 2014, as a result of any landlord alleged claim for breach of its lease agreement as a result of this Agreement, then this Agreement will be automatically terminate with respect to the vacated Premises or any portion thereof, and neither Party shall have any claim or liability to the other Party with respect to the termination of this Agreement or be deemed to be in breach of this Agreement on the basis of such vacation.

5. INDEPENDENT CONTRACTORS

5.1. Conduit is performing the Services hereunder as an independent contractor and that no employer-employee relationship exists or will exist between Conduit and the Company, nor between any Conduit Representatives and the Company. For the sake of clarity, neither Conduit, nor any Conduit Representatives shall be covered by any of the Company employee benefit schemes and/or insurance policies of the Company or its Subsidiaries by virtue of this Agreement. Conduit shall solely be responsible to pay all taxes, payments, salary, social benefits, national insurance and any amounts due under applicable law with respect to it and its Representatives.

5.2. Conduit will defend, indemnify, and hold the Company and its Representatives and any third party on their behalf, harmless from and against all claims, damages, losses, and expenses, including reasonable fees and expenses of attorneys and other professionals which may be incurred, suffered or imposed upon the Company and/or its Representatives in respect of any withholding taxes, social security, unemployment or disability insurance, social benefits, vacation, severance payment or other payments whatsoever or deriving from the existence of employer-employee relationship between any Conduit's Representatives, on the one hand, and the Company, on the other hand.

5.3. The Company will defend, indemnify, and hold Conduit and its Representatives and any third party on their behalf, harmless from and against all claims, damages, losses, and expenses, including reasonable fees and expenses of attorneys and other professionals which may be incurred, suffered or imposed upon Conduit and/or its Representatives in respect of any withholding taxes, social security, unemployment or disability insurance, social benefits, vacation, severance payment or other payments whatsoever or deriving from the existence of employer-employee relationship between Conduit or any of its Representatives, on the one hand, and any Company's Representative, on the other hand.

5.4. Conduit will defend, indemnify, and hold the Company and its Representatives and any third party on their behalf, harmless from and against all claims, damages, losses, and expenses, including reasonable fees and expenses of attorneys and other professionals which may be incurred, suffered or imposed upon the Company and/or its Representatives in respect of any withholding taxes, social security, unemployment or disability insurance, social benefits, vacation, severance payment or other payments whatsoever or deriving from the existence of employer-employee relationship between the Company or any of its Representatives, on the one hand, and any Conduit's Representative, on the other hand (but with respect to any Employee only with respect to the period until the Employment Effective Date (as such terms are defined in Section 7.1 below)).

5.5. The Company shall maintain at its own expense insurance policies with coverage as maintained by Conduit prior to the date hereof, and in no event less than commercially reasonable coverage, as required in connection with the employment or engagement of its Representatives and otherwise its operation.

5.6. The Company shall be responsible, at its expense, to obtain, purchase, maintain and renew any third party licenses required for its operation from the date hereof.

6. INDEMNIFICATION

6.1. The Services include services that are granted or dependent upon third parties (such as, water, electricity, internet and phone access, etc.) and, therefore, Conduit shall not be deemed in breach of this Agreement nor have any liability to the extent that any delay or failure in the performance or rendering of any Service results from any cause beyond its reasonable control, including force majeure.

6.2. Conduit will defend, indemnify and hold harmless the Company and its Representatives from and against any and all direct damages, costs and expenses (including reasonable attorneys' fees) which may be incurred or suffered by them which may arise out of or in connection with Conduit's failure to provide the Services as required by and in accordance with this Agreement. The indemnification hereunder shall be limited to an aggregate amount of up to \$700,000. The Parties hereby agree that the indemnification hereunder shall not apply to the extent that the delay or failure in the performance or rendering of any Service results from: (i) termination of engagement by employees and consultants of Conduit which is not as a result of reduction in such terminating employees or consultants compensation terms, authority, duties or responsibilities; (ii) any cause beyond Conduit's reasonable control, including force majeure; or (iii) actions or omission of the Company or its Representatives or a breach by any of them of this Agreement. The Company shall provide Conduit with written notice of a matter that may give rise to indemnification under this Section as soon as reasonably practical after becoming aware of any such matter. No delay in delivery of such written notice shall relieve Conduit of its obligation under this Section 6.2, unless and to the extent that Conduit is materially prejudiced thereby.

6.3. The Company will defend, indemnify and hold harmless Conduit and its Representatives from and against any and all direct damages, costs and expenses (including reasonable attorneys' fees) which may be incurred or suffered by them which may arise out of or in connection the Company's breach of this Agreement and the Company's and/or its Representatives use of the Premises and other equipment made available to it hereunder in any manner other than ordinary and customary use thereof. Conduit shall provide the Company with written notice of a matter that may give rise to indemnification under this Section as soon as reasonably practical after becoming aware of any such matter. No delay in delivery of such written notice shall relieve the Company of its obligation under this Section 6.3, unless and to the extent that the Company is materially prejudiced thereby.

7. TRANSFERRED EMPLOYEES

7.1. Prior to the termination of this Agreement (and taking into account Section 7.2), the Company, in prior coordination with Conduit, shall offer continued employment to 50% of the employees providing the Services from each department or capacity as specified in Exhibit A (other than valet parking employees) or to 50% of such employees, in the aggregate, effective as of the termination of this Agreement (the "Employment Effective Date"). The identity of the employees to which such offers shall be made shall be agreed between the Parties in advance, taking into account and accommodating the specific circumstances, limitations and needs of such employees (such as, distance from home, transportation, and other factors). The Company's offer of employment shall be as a continued employment in accordance with such employee's respective employment agreement by Conduit. An employee accepting the Company's offer shall be referred to as an "Employees". The Company shall assume the respective employment agreement of the Employees on the Employment Effective Date, as then in effect (the "Employment Agreement").

7.2. Sufficient time before the termination of this Agreement and by no later than 60 days prior thereto, the Parties shall apply to the following in connection with the transfer of the Employees as set forth herein: (i) Israeli Tax Authority to receive a tax determination that the transfer of the Employees would not be viewed as termination for purposes of Section 9(7a) of the Income Tax Ordinance; and (ii) if applicable, to the Supervisor of Women Work Law in the Ministry of Economy. The Parties shall, and shall cause and instruct their Representatives to, coordinate with each other in connection with the filing and obtaining the above approvals and any other document that may be required to be delivered by such Party or its Representatives in connection thereto; and shall keep each other apprised of the status of any communications with, and any inquiries or requests for additional information from, the applicable authorities, and shall comply promptly with any such inquiry or request. If the applications for the above approvals are pending and have not yet been granted by the date this Agreement is terminated, then the obligations of the Company pursuant to this Section 7 shall survive such termination. The date upon which the Employees employment commences with the Company, if the receipt of the above approvals is not on or prior to the Employment Effective Date, shall be referred to as the "Deferred Employment Date". The Company shall reimburse Conduit for the employer cost and any employee benefits related to the employment of such Employees from the Employment Effective Date until the earlier of the Deferred Employment Date or the termination of employment of such Employee.

7.3. The Employees shall be transferred through continuance of their employment, and, accordingly, all obligations and covenants that such Employees have undertaken in their Employment Agreement (including, confidentiality, non compete, non solicitation and invention assignment) shall insure to the benefit of the Company, as the employer from and as of the Employment Date, and all benefits that such Employees may be eligible to receive pursuant to their respective Employment Agreements, applicable law or Plans (as defined in the Split Agreement) shall be assumed by the Company, including, without limitation, all wages, prior notice period (or payment in lieu thereof), recreation and/or recuperation pay, accumulated redeemable unused vacation days and sick leave, provident, pension or retirement plan, education fund, managers' insurance, disability pay, bonuses, commissions, pay for other compensated absences and other remuneration (including mandatory or discretionary benefits) until the Employment Date, and any right or benefit arising from the termination of employment, including severance pay. For the avoidance of doubt, the Company will not assume any liabilities incurred as a result of Conduit's breach of its obligations to pay salary or withhold taxes under an Employment Agreement with an Employee, solely with respect to the period prior to the Employment Date and/or any legal proceeding, pending or threatened, that any Employee may have in connection with such breach against Conduit.

7.4. Prior to the Employment Date, Conduit or its applicable employing Subsidiary shall make all such payments, transfers and fully fund all such amounts required to be placed with any severance fund or insurance policy ("Severance Fund") that would have been required to be transferred and paid to Employees had the employment of such Employees been terminated by Conduit or its applicable employing Subsidiary at the Employment Date. Conduit or the applicable employing Subsidiary shall assign and transfer to the Company all its rights in all such Severance Funds with respect to the relevant Employees. For the avoidance of doubt, in the event that any Employee ceases to be employed by the Company after the Employment Date, the Company shall be solely responsible for any severance or other payments due to the Employee as a result of such termination of employment.

7.5. Nothing in the Employment Agreement or other agreements between any Employees and Conduit or its Representatives shall: (i) as of the Employment Date, limit or restrict such Employee from serving, as of Employment Date, as employees or consultant of the Company or any of its Subsidiaries; and (ii) as of the Employment Date, the Employees shall be relieved and released from the non-compete and confidentiality obligations owed to Conduit or its Subsidiaries to such extent required to perform the obligations and duties under their respective Employment Agreement with the Company or its Subsidiaries.

7.6. On and after the Employment Date, the Company shall cause each Employee to receive full credit for all prior service with Conduit for purposes of determining any benefits to be received by such Employee to the extent that service or length of employment is an applicable factor for determining benefits under any benefit Plan of the Company or its Affiliates or under applicable laws. The Company shall not terminate the employment of an Employee for purposes of replacing him/her with personnel of outsourcing companies.

7.7. The Parties shall make reasonable efforts so that, by no later than the Closing, each Employee shall sign: (i) an acknowledgment to Section 7.1; and (ii) any required consent to give effect to Section 7.2, including any acknowledgement or consent to the terms of the tax determination.

7.8. Nothing herein, express or implied, shall confer upon any Employee or legal representative or beneficiary thereof, any rights or remedies, including any right to employment/engagement or continued employment/engagement for any specified period, or compensation or benefits of any nature or kind whatsoever under this Agreement.

8. CONFIDENTIAL INFORMATION

8.1. “Confidential Information” means any and all information of a Party (the “Disclosing Party”) and its Representatives to which the other Party and its Representatives (the “Receiving Party”) may have access to and/or exposed to in connection with this Agreement, regardless of whether such Confidential Information is in oral, electronic or written form. Such Confidential Information may include, without limitation, trade secrets, know-how, inventions, technical data or specifications, testing methods, business or financial information, research and development activities, product and marketing plans, and customer and supplier information. Confidential Information shall not include material or information which (i) is in the public domain at the time of disclosure by the Disclosing Party or subsequently becomes so through no fault of the Receiving Party; (ii) is furnished to the Receiving Party and/or its Representatives by a third party having a lawful right to do so and without any obligation of confidentiality to the Disclosing Party or its Representatives; (iii) was explicitly approved for release by written authorization of the Disclosing Party or its Representatives; or (iv) is independently developed by the Receiving Party, without benefit of Disclosing Party’s Confidential Information, as evidenced by its written records.

8.2. The Receiving Party shall, and shall cause its Representatives, to (i) maintain all Confidential Information in strict confidence; (ii) use the same degree of care in safeguarding Confidential Information, as it uses for its own confidential information of the highest importance, but in any case at least a reasonable degree of care; and (iii) not to, directly or indirectly, disclose, reveal, divulge or communicate to any Person, or use, any Confidential Information and undertake that all its Representatives that have access to the Premises or may be rendered or providing Services (as the case may be) are subject to confidentiality and non-use undertakings similar to those contained herein. Confidential Information is and shall remain the sole and exclusive property of the Disclosing Party, and no license or other rights to Confidential Information are granted or implied hereby. The Receiving Party shall be responsible for any breach of this Agreement by its Representatives. The Receiving Party shall advise the Disclosing Party in writing should it become aware of any misappropriation or misuse of Disclosing Party’s Confidential Information.

8.3. In the event that the Receiving Party is being legally compelled or requested (by deposition, interrogatory, request for documents, subpoena, civil investigative demand or similar process) to disclose any of the Confidential Information, it shall provide, prior to disclosure if at all possible, to the Disclosing Party Conduit with immediate written notice of the request so that the Disclosing Party may, in its sole discretion, seek a protective order or other appropriate remedy or waive compliance with the terms of this Agreement. The Receiving Party shall, upon the Disclosing Party’s request, take reasonable steps to assist the Disclosing Party in contesting the request for disclosure. In the event that a protective order or other remedy is not obtained, or that the Disclosing Party waives compliance with the provisions of this Agreement, the Receiving Party shall furnish only that portion of the Confidential Information which it is advised by counsel is legally required and to exercise all reasonable efforts to obtain assurance that confidential treatment will be accorded to the Confidential Information. In addition, the Receiving Party shall maintain and make available to the Disclosing Party a record and copies of any such Confidential Information disclosed.

8.4. Without limiting the foregoing, the Receiving Party shall not embody any portion of the Confidential Information in any product, process or in any patent application filed by or on behalf of the Receiving Party, including, but not limited to, in a blocking patent application. Any patent application filed by the Receiving Party in violation of this Agreement shall be the property of the Disclosing Party, and the Receiving Party shall assign and transfer to the Disclosing Party the entire right, title and interest, in and to any such applications and any letters patents granted thereon in any country.

8.5. Upon the Disclosing Party's request (at any time) or upon termination of this Agreement, the Receiving Party shall immediately cease all use of the Disclosing Party's Confidential Information and return to the Disclosing Party or, at the Disclosing Party's option, destroy all materials and documentation consisting of or relating to the Confidential Information and certify to the Disclosing Party in writing such return or destruction.

8.6. For so long as the Agreement remains in effect and 24 months following its expiration or early termination, the Receiving Party obligations of confidence, non-disclosure, and non-use hereunder shall continue and survive with respect to Disclosing Party's Confidential Information received or accessed to while the Agreement was in effect.

8.7. This Section 8 shall not restrict the Receiving Party and its Representatives from acting in accordance with the Split Agreement or TSA nor shall it derogate or limit any rights thereunder and the Receiving Party shall be permitted to use or disclose Confidential Information if such disclosure is permitted under the Split Agreement or TSA.

9. **NON-SOLICITATION**

9.1. Each Party undertakes towards the other Party that during the term of this Agreement and for a period of 24 months thereafter each it shall not, directly or indirectly, encourage or solicit any officer, employee or consultant of the other Party, or induce or attempt to induce any such officer, employee or consultant to terminate, reduce or adversely modify the scope or terms of his or her engagement with the other Party or its Subsidiaries. This Section shall survive the termination or expiration of this Agreement, in accordance with its terms.

9.2. Each of the Parties acknowledges, represents and warrants that in light of the Services and the transaction contemplated hereby and under the Split Agreement and TSA, and in view of each Party's exposure and access of the other Party and its personnel and valuable proprietary information, the provisions of this Section 9 are reasonably necessary for the protection of the other Party's interests under this Agreement, the Split Agreement and TSA, and are not unduly restrictive upon it or any Affiliates thereof.

10. **TERM; TERMINATION**

10.1. This Agreement shall commence on the date hereof and unless otherwise terminated pursuant to Sections 4.2 or 10, shall terminate on August 30, 2014.

10.2. Any Party (the "**Non-Breaching Party**") may terminate this Agreement with respect to any Service, in whole but not in part, at any time upon prior written notice to the other Party (the "**Breaching Party**") if the Breaching Party has failed to perform any of its material obligations under this Agreement relating to such Service, and such failure shall have continued without cure for a period of thirty (30) days after receipt by the Breaching Party of a written notice of such failure from the Non-Breaching Party.

10.3. Upon any of the following: (i) a Party files any petition or action for relief under any bankruptcy, reorganization, insolvency or moratorium law or any other law for the relief of, or relating to, debtors (collectively "Bankruptcy Laws"), or makes any assignment for the benefit of creditors or takes any corporate action in furtherance of any of the foregoing; (ii) the appointment of a receiver or trustee over the whole or any part of a Party's assets; (iii) the calling by a Party of a meeting of creditors for the purpose of entering into a scheme or arrangement; (iv) any filing of an involuntary petition or proceeding under any Bankruptcy Laws against a Party, which has not been dismissed within 30 days thereafter; (v) a Party adopts one or more resolutions for dissolution, liquidation, bankruptcy, or reorganization or winding-up of the Party, then the other Party shall have the right to immediately terminate this Agreement by providing written notice (it being clarified that any such event shall not excuse the Parties from their obligations hereunder if the other Party did not elect to so terminate this Agreement). Each Party shall notify the other Party in writing immediately upon becoming aware of the occurrence of any of the above events (without regard to any grace or cure period specified therein) or of events or circumstances which may reasonably be expected to result in any of the above events.

10.4. Effect of Termination.

10.4.1. Upon termination of this Agreement, any accrued charges then unpaid by Conduit shall remain due and payable in accordance with the terms provided in this agreement.

10.4.2. Upon termination of this Agreement for any reason, the Company and all Company Representatives shall vacate the Premises in an orderly manner. The Company shall return to Conduit all equipment provided to it by Conduit as part of the Services in the condition they were on the date hereof, subject to ordinary wear and tear.

10.4.3. Upon termination of this Agreement in its entirety, all obligations of the parties hereto shall terminate, except for the provisions of this Section 10.4.3 and Sections 4-9 and 11 which shall survive any termination or expiration of this Agreement.

11. MISCELLANEOUS

11.1. Entire Agreement. This Agreement, including its Exhibits (which are to be incorporated by reference to this Agreement), constitute the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and supersedes all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter.

11.2. Amendments; Waivers. Any provision of this Agreement may be amended or waived if, and only if, such amendment or waiver is in writing and signed, in the case of an amendment, by both Parties, or in the case of a waiver, by the Party against whom the waiver is to be effective. No waiver by a Party of any default, misrepresentation or breach of a warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation or breach of a warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent occurrence. No failure or delay by a Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

11.3. Successors and Assigns. No Party may transfer or assign either this Agreement or any of its rights, interests or obligations hereunder, without the prior written approval of the other Party; provided, however, that either Party may assign any or all of its rights and interests hereunder to (i) one or more of its Affiliates or any successor of such Party or its Affiliates by merger, by purchase of all or substantially all of the asset or stock of such Party or any line of business at any time. Subject to the foregoing this Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors, heirs, personal representatives and permitted assigns.

11.4. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Israel, without giving effect to the rules of conflict of laws thereof.

11.5. Submission to Jurisdiction. Subject to the arbitration provisions in sub-Section 11.6, each of the Parties hereby irrevocably and unconditionally submits, for itself and its assets and properties, to the exclusive jurisdiction of the competent courts located in Tel-Aviv-Jaffa, Israel, in any action or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby, or for recognition or enforcement of any judgment relating thereto, and each of the Parties to this Agreement hereby irrevocably and unconditionally (i) agrees not to commence any such action or proceeding except in such courts; (ii) agrees that any claim in respect of any such action or proceeding may be heard and determined in such court or; (iii) waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any such action or proceeding in any such court; and (iv) waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court. Each of the Parties to this Agreement hereby agrees that a judgment in any such action or proceeding may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Each of the Parties to this Agreement hereby irrevocably consents to service of process in the manner provided for notices in Section 11.7. Nothing in this Agreement shall affect the right of any Party to this Agreement to serve process in any other manner permitted by applicable law.

11.6. Arbitration

11.6.1. Any disputes arising between the parties relating to this Agreement, or its interpretation, execution or breach thereof shall be exclusively resolved by arbitration to be conducted and all decisions and awards shall be rendered in accordance with the rules of the Israeli Arbitration Law, 1968 (the "Arbitration Law"), which rules and procedures are deemed to be incorporated by reference into this Agreement, except as otherwise provided herein. Any such arbitration (including its existence, any material exchanged or disclosed therein, the proceedings and the arbitrator's award) shall be conducted on a confidential basis, in the Hebrew language, in Tel Aviv, Israel (or as determined by the arbitrator), by one arbitrator who shall be an attorney admitted to practice in Israel or retired judge, appointed by the Parties upon mutual consent, however, if the Parties are unable to agree on the identity of the arbitrator within 15 days of a Party's request to appoint an arbitrator, then each Party shall appoint one person within 7 days, and such persons shall determine the identity of the arbitrator within 7 days (from the end of aforesaid 7-days period); and if such two persons are unable to agree within the 7 days period, then the either Party may refer the determination of the identity of the arbitrator to the Chairman of the Tel Aviv District of the Israel Bar Association. All aspects of the arbitration proceedings, including all preliminary and post-ruling matters, shall be conducted in accordance with Israeli substantive laws then in force. The arbitrator shall be authorized to determine the procedural and evidentiary rules applicable to the arbitration and shall not be bound by rules of civil procedure or the principals governing admissibility of evidence, the arbitrator shall have the right to order discovery and to shall conduct such hearings or hear such presentations by the Parties (either together or ex parte) as it in its sole discretion deems necessary. The arbitrator may meet with each of the Parties separately, and the Parties hereby undertake to fully cooperate with the arbitrator and provide him with all materials requested by him without any delays. The arbitration proceedings shall not exceed 30 Business Days from the commencement of the proceedings. The arbitrator shall be requested to provide its written determination within 30 days after the completion of the arbitration proceedings.

11.6.2. Notwithstanding anything in this Section 11.6, each Party may seek interim injunctive relief from a court of competent jurisdiction provided that such interim injunction relief shall be until the arbitrator is appointed. The continuance of such interim relief may be determined by the arbitrator. No arbitration pursuant to this Agreement shall be stayed or delayed pending the outcome of any judicial or other proceedings.

11.6.3. The award of the arbitrator shall be in writing and shall include the basis and reasoning for its findings, and shall be conclusive and binding upon the Parties, except as provided in the Arbitration Law. Judgment upon an arbitral award may be entered in any court of competent jurisdiction. The discretion of the arbitrator to fashion remedies hereunder shall not be broader than the legal and equitable remedies available to a court in Israel. The arbitrator shall have the right to order injunctive relief and the payment of attorneys' fees, costs and other damages. The findings and determination of the arbitrator in the arbitration award shall be final and binding on the Parties, and may be challenged or subject to any appeal in accordance with the Arbitration Law only in an appeal arbitration conducted in accordance with the provisions of this Section 11.6.

11.6.4. Each of the Parties to the arbitration shall pay its own expenses, and the Parties shall share equally the fees and expenses of the arbitration proceeding (including the arbitration fees and expenses), unless otherwise determined by the arbitrator in its arbitration award.

11.6.5. This Section shall constitute an arbitration agreement under the Arbitration Law. In the event of any contradiction between the provisions hereof and the Arbitration Law, the provisions of this Agreement shall prevail.

11.7 Notices. All notices and other communications under this Agreement shall be in writing shall be given or made by delivery in person (and shall be deemed to have been duly given upon such delivery), by overnight courier service (and shall be deemed to have been duly given two days after delivery to the courier service), by facsimile or email (and shall be deemed to have been duly given after transmission in full with electronic confirmation of transmission, or if delivered on a non-Business Day or after recipient's business hours, on the first Business Day after transmission), or by registered or certified mail (postage prepaid, return receipt requested) (and shall be deemed to have been duly given five (5) days after delivery to the mail service) to the respective parties at the following addresses (or to such other address or contact details as a party may have specified by notice given to the other party pursuant to this provision, provided, however, that any notice of change of address or contact details shall only be valid upon actual receipt):

If to Conduit, to:

[]

Telephone: +972- -

Facsimile: +972- -

Attention:

E-mail:

If to the Company, to:

[]

Telephone: +972- -

Facsimile: +972- -

Attention:

E-mail:

11.8. Specific Performance. Each Party hereby acknowledges and agrees that the failure of any Party to perform its agreements and covenants hereunder, including its failure to take all actions as are necessary on its part for the consummation of the transactions contemplated herein, may cause irreparable injury to the other Party, for which damages, even if available, may not be an adequate remedy. Accordingly, each Party hereby consents to the issuance of injunctive relief by any court of competent jurisdiction to compel performance of such Party's obligations and to the granting by any court of the remedy of specific performance of its obligations hereunder.

11.9. Severability. If any provision of this Agreement, or the application thereof to any Person, place or circumstance, shall be held by a court of competent jurisdiction to be invalid, unenforceable or void, the remainder of this Agreement and such provisions as applied to other Persons, places and circumstances shall remain in full force and effect only if, after excluding the portion deemed to be unenforceable, the remaining terms shall provide for the consummation of the transactions contemplated hereby in substantially the same manner as originally set forth at the later of the date this Agreement was executed or last amended.

11.10. Captions. The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof. All references to a Section or Exhibit are references to a Section or Exhibit of this Agreement, unless otherwise specified, and include all subparts thereof.

11.11. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and enforceable against the Parties actually executing such counterpart, and all of which together shall be considered one and the same agreement, it being understood that all parties need not sign the same counterpart. The exchange of an executed Agreement (in counterparts or otherwise) by facsimile transmission or by electronic delivery in .pdf format or the like shall be sufficient to bind the parties to the terms and conditions of this Agreement, as an original.

- SIGNATURE PAGE FOLLOWS -

IN WITNESS WHEREOF, the parties hereto have caused this Office and Administration Services Agreement to be executed as of the date first written above.

CONDUIT LTD.

By: /s/ Ronen Shilo

Name:

Title: CEO

CLIENTCONNECT LTD.

By: /s/ Dror Erez

Name:

Title:

CERTIFICATIONS

I, Josef Mandelbaum, certify that:

1. I have reviewed this annual report on Form 20-F/A of Perion Network Ltd.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;
4. The Company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and
5. The Company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: July 29, 2014

/s/ Josef Mandelbaum
Josef Mandelbaum,
Chief Executive Officer

CERTIFICATIONS

I, Yacov Kaufman, certify that:

1. I have reviewed this annual report on Form 20-F/A of Perion Network Ltd.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;
4. The Company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and
5. The Company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: July 29, 2014

/s/ Yacov Kaufman
Yacov Kaufman,
Chief Financial Officer

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 20-F/A of Perion Network Ltd., (the "Issuer"), for the period ended December 31, 2013, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Josef Mandelbaum, Chief Executive Officer of the Issuer, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. The Report containing the financial statements fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. Information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Issuer.

/s/ Josef Mandelbaum
Josef Mandelbaum
Chief Executive Officer

Date: July 29, 2014

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 20-F/A of Perion Network Ltd., (the "Issuer"), for the period ended December 31, 2013, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Yacov Kaufman, Chief Financial Officer of the Issuer, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. The Report containing the financial statements fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. Information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Issuer.

/s/ Yacov Kaufman
Yacov Kaufman
Chief Financial Officer

Date: July 29, 2014
