

## ***Stock Option and Compensation Committee***

The board of directors has established a stock option and compensation committee. The primary function of this committee is to approve our employee compensation policy and determine remuneration and other terms of employment for our officers. In setting our remuneration policy, the committee considers a number of factors including:

- the performance of the officer;
- the basic salaries and benefits available to comparable officers at comparable companies;
- the need to attract and retain officers of an appropriate caliber;
- the need to ensure such executives' commitment to the future success of our company by means of incentive schemes;
- financial and operating results of our company; and
- the overall market environment.

Mr. Alex Kornhauser (chairman), Mr. Kalman Kaufman and Mr. Amir Elstein serve as the committee members.