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Limited Partnership Agreement
[Restated Version]

This Agreement was entered into and signed in Tel Aviv on July 1, 1993¹

Between: NewMed Energy Management Ltd.
as the general partner
(the “**General Partner**”)

of the first part;

And between: NewMed Energy Trusts Ltd.
as the limited partner
(the “**Limited Partner**”)

of the second part;

Whereas the parties are interested in establishing a limited partnership according to Israeli law, for the purpose of participating in oil and/or gas exploration;

Therefore it has been agreed and stipulated between the parties as follows:

1. Preamble

The preamble to This Agreement forms an integral part thereof.

2. Definitions and interpretation:

2.1. Definitions

The "**Rights Transfer Agreement**" – an agreement to be signed following the execution of This Agreement and prior to the public offering mentioned below, between the Limited Partnership which is hereby established and between Delek Oil Exploration Ltd. and Delek The Israel Fuel Corporation Ltd., as it shall be amended from time to

¹ **Amendments:** amendment (1) August 2, 1993, amendment (2) August 3, 1993, amendment (3) September 18, 1994, amendment (4) July 20, 1999, amendment (5) December 1, 2004, amendment (6) December 23, 2004, amendment (7) February 7, 2005, amendment (8) June 22, 2005, amendment (9) November 19, 2006, amendment (10) December 23, 2007, amendment (11) January 5, 2009, amendment (12) December 29, 2009, amendment (13) April 8, 2010, amendment (14) October 9, 2011, amendment (15) July 17, 2012, amendment (16) October 22, 2015, amendment (17) May 17, 2017, amendment (18) May 16, 2019, amendment (19) July 10, 2019, amendment (20) September 21, 2022.

time, regarding the transfer of working interests in oil assets and any agreements which the Limited Partnership may enter whereby rights to oil assets shall be transferred thereto and/or its rights to oil assets or liabilities in relation thereto shall be determined.

The "**Partnership**" or "**Limited Partnership**" – The limited partnership which is being established by This Agreement.

"**Oil Assets**" – Oil rights, preliminary permits, preemptive rights to receive a license, permissions, grants, concessions for the exploration and/or production of oil in a certain place or area and other rights which confer a right to oil which will be discovered or produced in a certain place or area.

The "**Completion Date**" – The date falling one day after the closing of list of subscriptions in the Public Offering (as defined below), but no earlier than the registration in the oil registry, in the name of the Limited Partnership, of the rights to licenses (224) Negev Ashkelon, (227) Negev Nirim [and the licenses which shall be received instead of the preliminary license Negev Med] which are transferred thereto according to the Rights Transfer Agreement to be signed immediately prior to the publication of the prospectus.

"**This Agreement**" – This Agreement as shall be amended from time to time upon both parties' consent.

The "**Trust Agreement**" – The trust agreement which was executed on the execution date of This Agreement between the Limited Partner, as trustee for the unit holders, of the first part, and between Somekh Chaikin CPA (the "**Supervisor**") of the second part, regarding the issuance of units which confer a working interest in the Trustee's rights as the Limited Partner in the Partnership, as shall be amended from time to time.

The "**Trustee**" – The Limited Partner according to This Agreement and whomever shall serve, from time to time, as Trustee according to the Trust Agreement.

The "**Supervisor**" – The partnership Somekh Chaikin CPA and whomever shall serve, from time to time, as Supervisor according to the Trust Agreement and This Agreement.

The "**Offeror**" and the "**Operator**" – The General Partner.

The "**Public Offering**" – An offering, as per a prospectus to be published by the Offeror, of units which shall be issued according to the Trust Agreement by the Limited Partner as the issuer to the Offeror and which will confer (towards the Limited Partner) a working interest in its rights in the Partnership and in series 1 warrants.

"**TASE**" – The Tel Aviv Stock Exchange Ltd.

2.2. Interpretation

- 2.2.1. Terms defined in the Israeli Petroleum Law, 5712-1952 shall have in This Agreement the same meaning as per their definition therein. Terms which are common in the oil and gas exploration industry shall be construed as per their common meaning.
- 2.2.2. Subject to the aforesaid, terms which are defined in the Israeli Interpretation Law 5741-1981 shall have in this law the same meaning as per their definition therein.
- 2.2.3. In This Agreement, the singular/masculine form of words and definitions shall be interpreted as also including the plural/feminine language, and vice versa.
- 2.2.4. The provisions of this section shall not apply if anything in essence or in context is inconsistent with the aforesaid interpretation provisions.
- 2.2.5. The headlines of This Agreement shall not be considered for the purpose of its interpretation.

3. Establishing the Partnership

- 3.1. The parties to This Agreement agree to establish a limited partnership according to the Partnership Ordinance (New Version) 5735-1975 (the "**Ordinance**"). The Partners' rights and liabilities shall be determined according to the provisions of the Ordinance, unless they are inconsistent with a specific provision of This Agreement in relation to the matter in reference.
- 3.2. The provisions of This Agreement form the Partnership's articles of association, as per Section 61 of the Ordinance.

4. The Partnership's Name

The Partnership's name will be "NewMed Energy" or any other name as shall be determined by the General Partner.

5. The Partnership's Goal, Authorities and Powers

- 5.1. The goals of the Limited Partnership are:
- (a) To take part in oil and/or gas exploration. The Partnership shall only engage in oil or gas exploration or production according to an oil right or preliminary permit with a preemptive right to receive a license (within the meaning of these terms in the Oil Law 5712-

Amendments:

July 20, 1999
 December 1, 2004
 June 22, 2005
 November 19, 2006
 December 23, 2007
 January 5, 2009
 October 9, 2011
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1952) in the geographical areas included in the following licenses and permits, whether the following specified licenses and permits apply thereto, or such other substitute licenses, permits and leases that are issued to the Partnership in their stead: "Noa" I/7 lease, "Ashkelon" I/10 lease, "Tamar" I/12 lease, "Dalit" I/13 lease, "Rachel"/349 License, "Amit"/350 License, "Hanna"/351 License, "David"/352 License, "Eran"/353 License, "Ruth A"/358 License, "Ruth B"/359 License, "Ruth C"/360 License, "Alon A"/364 License, "Alon B"/365 License, "Alon C"/366 License, "Alon D"/367 License, "Alon F"/369 License, "Royee"/399 License, "Ofek New"/405 License, "Yahel New"/406 License, as well as the geographical areas included in Block 12 in Cyprus and in adjacent areas to all the aforesaid areas which shall be included in the existing Oil Assets as a result of border changes thereto or to any preliminary permit or oil right which shall be issued to the Partnership in the areas adjacent to any of the aforesaid areas or to other areas as shall be defined in This Agreement in the future.

(b) To participate in renewable energy projects. In accordance with the provisions of the TASE Rules, and so long as they so require, the value of the Partnership's aggregate investment in renewable energy projects shall not exceed 25% (or a higher rate insofar as the TASE Rules shall so determine) of the value of all of the Partnership's assets, as being on the date of release of the Partnership's immediate report on adoption of the resolution regarding the making of the investment in a renewable energy project.

5.2. The Limited Partnership shall have all authorities and powers which are required and/or useful for the purpose of advancing the Limited Partnership's goal or related thereto.

6. The Partnership's Equity

6.1. The Partnership's equity shall be comprised of the following amounts:

6.1.1. NIS 1,000 to be contributed by the Partners on the execution date of This Agreement, of which NIS 999.9 shall be contributed by the Limited Partner and NIS 0.1 shall be contributed by the General Partner; as well as

6.1.2. The amounts contributed by the Limited Partner on the Completion Date according to Sections 6.2 and 6.3 below.

6.2. The Limited Partner shall contribute to the Partnership, on the Completion Date, an amount equal to the entire amount of the (net) issue proceeds of the units issued thereby and offered according to the prospectus (after deduction of an amount equal to the expected trust expenses, including the Trustee's and the Supervisor's fees according to the Trust Agreement); an additional amount shall also be contributed, which shall be received after the registration of the

<p><u>Amendment:</u> August 2, 1993</p>

Partnership in consideration for the issuance of units issued by the Trustee to the General Partner soon before the date of the prospectus. This amount, together with the amount paid by the Limited Partner according to Section 6.1.1, shall constitute approx. 100% of the Limited Partnership's equity.

- 6.3. Whenever the Limited Partner shall have received funds as a result of the exercise of the series 1 warrants that are offered to the public according to the prospectus, the Limited Partner shall be obligated to put these funds, after deduction of any fees payable thereon, into the Partnership's equity.
- 6.4. A partner shall not be entitled to interest in relation to its payments to the Partnership's equity.
- 6.5. After the Limited Partner shall have paid its share of the Limited Partnership's equity according to this Section 6, the Limited Partner shall be under no liability to further invest additional amounts in the Limited Partnership's equity, nor shall it be responsible for the Limited Partnership's liabilities beyond the amount it had contributed as aforesaid.
- 6.6. In the event that the parties shall agree to increase the Limited Partnership's equity, the Limited Partner's share shall be 99.99% of the additional equity contributed to the Partnership and the General Partner's share shall be 0.01% thereof.

7. Place of Business Management

The place of the Partnership's business management shall be on 7 Giborei Israel St., Netanya. The General Partner may, from time to time, change the place of the business management, and in that case it shall notify such change to the Limited Partner and to the Supervisor within 20 days of the date of the change.

8. The Partnership's Expenses

- 8.1. The General Partner shall be responsible for the Partnership's expenses, throughout the term of existence of the Partnership, being in accordance with the Partnership's goals, as defined in Section 5 above.
- 8.2. In case of a discovery, the Limited Partnership might have additional expenses for the purpose of preparing the well for production, completing the well, building production facilities and taking actions for the development of the oil field and/or the production of oil. In such a case the General Partner shall be entitled (but not obligated) to take on behalf of the Limited Partnership credit on terms as it shall deem fit for the purpose of financing the aforesaid expenses, and to pledge for this purpose the assets of the Limited Partnership, including the Limited Partnership's share in the well and/or oil field and/or Oil Assets. In addition, the Limited Partnership shall pay, in case of a

<p><u>Amendments:</u> September 19, 1994 September 21, 2022</p>

discovery, the royalties said in Section 9 below. Prior to taking any action for the receipt of credit and pledge of assets according to this Section, the General Partner shall give the Supervisor a written notice in relation thereto, and it shall not take any such action if the Supervisor had notified, within reasonable time, that in his opinion the actions which the General Partner seeks, or any part thereof, should not be undertaken, provided, however, that he shall have given reasons in writing therefore, based on his opinion that the said actions should violate the Limited Partner's rights.

- 8.3. In case the General Partner believes there is room to participate in drillings and/or exploration activities which entail additional amounts, beyond those invested in the Limited Partnership's equity by any of the partners (plus the revenues of their investment for the purpose of preserving their real value), or in case of a discovery as aforesaid in Section 8.2 above, whereby the Limited Partnership is required to contribute to the necessary expenses in relation to the preparation of the well for production, or the completion of the well, or the construction of production facilities in the development of the oil field and/or any other action for the production of oil, or if the General Partner believes that there might be in the future a possibility that the Limited Partnership shall be made an offer to participate in such actions, then the General Partner shall so notify the Limited Partner and the Supervisor and specify the amount by which it believes the Limited Partnership's equity should be increased in order to enable the Limited Partnership to participate in the drilling and/or exploration activities and/or aforesaid expenses or, as the case may be, reserve the Limited Partnership's possibility to accept such an offer, if any, and in the event that such an offer is actually being made, the General Partner shall include in his notice the last date for acceptance as per the terms of the offer (the "**Last Date for Acceptance**").

In case the General Partner has, on the date of the notice, a well-formed plan for the execution of oil exploration activities, the notice should specify in which Oil Asset the oil exploration activities are planned, and in case there is also an estimated budget for the said actions – its total amount. In such a case the Limited Partner shall act to publish a prospectus subject to the conditions and approvals according to Section 2.4.2 of the Trust Agreement. For the avoidance of doubt it is clarified that should the possibility of publication of prospectus as aforesaid be precluded, then the General Partner shall be entitled to notify the offering party, or any other relevant entity, as the case may be, that the Limited Partnership shall not take part in the aforesaid drilling and/or exploration activities and/or expenses and take any measures necessary for that purpose, including also the abandonment of rights (if such a possibility was stated in the said notice of the General Partner to the Supervisor as the only possibility for preventing the Partnership's bearing these expenses and the Supervisor shall not have challenged this statement within the said

period). In such a case the Limited Partnership might lose its rights to an Oil Asset in which it has rights.

9. Participation in Income, expenses and Losses; Royalties

Amendments:

August 2, 1993
 August 3, 1993
 September 18, 1994
 July 20, 1999
 December 23, 2004
 February 7, 2005
 December 29, 2009
 April 8, 2010
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- 9.1. The General Partner shall be entitled to 0.01% of the income and bear 0.01% of the expenses and losses of the Limited Partnership, as well as the expenses and losses of the Limited Partnership which are not borne by the Limited Partner as a result of the limitation on the Limited Partner's liability as per Section 12.2 below.

The Partnership shall bear all of the Partnership's Expenses of any type whatsoever. For the avoidance of doubt, it is clarified that the Partnership shall bear no payments, directly or indirectly, to the General Partner company's controlling shareholder or payments in which the controlling shareholder has a Personal Interest, unless such payments shall have been approved pursuant to the provisions of the Partnerships Ordinance.

For purposes of this Section 9.1:

- (a) **“Partnership’s Expenses”** – including any expense that the Partnership or the General Partner shall incur for management of the Partnership or performance of the General Partner's duties for management of the Partnership pursuant to the Partnerships Ordinance, the Securities Law and the regulations thereunder, the Partnership Agreement, the Trust Agreement, the TASE rules or other binding legal provisions, and including any and all expenses that shall be incurred in connection with the Partnership's business and assets, for the Partnership's operation, for financing the Partnership and expenses deriving from the Partnership's being a public partnership and a reporting corporation (as defined in the Securities Law), including expenses in connection with ongoing reports, fees of directors and the active chair of the board (although with the exception of the fees of directors who hold office as officers of the controlling shareholder of the General Partner or of another company controlled thereby), the cost of employment of officers, including the CEO of the General Partner or the Partnership, the cost of employment of employees of the General Partner or the Partnership, accountants' fees, bookkeeping, preparation of the financial statements of the Partnership and the General Partner, tax advice and work, internal auditor fees, the Supervisor's fee, legal fees and fees of other consultants, appraisers, IT expenses, rent, office services, banking fees and other expenses entailed by maintaining bank accounts for purposes of the Partnership's operating activities, costs relating to insurance policies, including D&O insurance, public relations and investor relations, technological, geological, economic and financial consulting in connection with existing and future investments, expenses of dissolution of the Partnership, and any other expense for the Partnership's benefit.

(b) “**Personal Interest**” – with the exception of a personal interest deriving from the fact of the controlling shareholder’s holding in the General Partner company, and with respect to an engagement with an officer or with an employee – with the exception of a personal interest that derives from the fact of holding office or having employment at the General Partner company.

- 9.2. The Limited Partner shall be entitled to 99.99% of the income and bear 99.99% of the Limited Partnership's expenses and losses.
- 9.3. No loans and/or deposits shall be given out of the Limited Partnership's funds to the General Partner, the General Partner's directors, Delek, the Israel Fuel Corporation or any subsidiary or affiliated company thereof.
- 9.4. All of the Limited Partnership's profits which are lawfully available for distribution by the Partnership as profit, after deduction of those amounts (which were not taken into consideration for the purpose of determining the profits) and which the Partnership needs, as per the General Partner's discretion, for the purpose of the Limited Partnership's existing undertakings or in relation thereto (including the repayment of loans and the amounts which the General Partner deems necessary in order to pay unexpected expenses and which shall not exceed US\$ 250,000) (the "**Profits**") shall be distributed to the partners according to their rights, as aforesaid, in the following manner:

Once a year, soon before the year end, the General Partner shall prepare, in consultation with the Partnership's auditors, an estimate of the Partnership's annual chargeable income. Based on that estimate, the General Partner shall determine the amount for the initial distribution, *inter alia*, for the purpose of the Partnership's fulfillment of its undertakings as per the tax collection agreement of October 21, 2004, signed between the Partnership of the first part and the assessing officer for large enterprises of the second part (the "**Amount for the Initial Distribution**"). The Amount for the Initial Distribution shall be announced by the General Partner before the year end and be thereafter distributed to the partners according to their aforesaid rights.

The balance of profit for distribution for that year (if any) shall be determined by the General Partner and announced soon after the release of the Partnership's audited financial statements for that year (the "**Second Distribution Balance**").

It is hereby clarified that should it transpire, after the performance of the second distribution, as a result of a change in circumstances, that additional amount could have been distributed for that year, the General Partner may distribute further amounts for that year ("**Additional Distributions**"), and it shall be obligated to do so if the additional distributable amount exceed a total of US\$3 million.

The calculation of the Profits shall always be made for the year ending on December 31. Notwithstanding the aforesaid, no amount shall be distributed if the receipt thereof by the Limited Partner shall be deemed as withdrawal of its investment or any part thereof, as per Section 63(b) of the Partnerships Ordinance (New Version) 5735-1975. Whenever in doubt whether the distribution of any amount to the Limited Partner shall be deemed as withdrawal of its investment or any part thereof, as aforesaid, the distribution shall not be made unless upon the Supervisor's consent. If the Limited Partnership shall have funds that shall not be distributed to the partners as aforesaid (including those deriving from the Limited Partnership's equity and undistributed profits), the General Partner shall be entitled, should it so deem fit as per its sole discretion, to invest them until they are used for the purposes for which they were intended, in the manner it shall deem fit, so long as the said investments are made for the purpose of preserving as much as possible the real value of the funds and their availability for the purpose of executing the Limited Partnership's goals. For this purpose – investment of money in liquid deposits in banks, in bonds rated with an average rating of no less than A locally or the international equivalent thereof, investments in exchange traded funds whose market value, on the date of the making of the investment, exceeds U.S. \$1 billion, and which are traded in one or more of the following countries: Israel, the U.S., Canada, England, Germany, France, Spain, Switzerland, at a scope that does not exceed 7.5% of the Partnership's overall investment portfolio on the date of the making of the investment, and investments in securities of corporations whose market value, on the date of making of the investment, exceeds U.S. \$1 billion and which are included in one or more of the following indexes: S&P 500, FTSE 100, SMI SWISS, MARKET, DAX, NIKKEI 500, HANG SENG, ASX 200, TSX 60 and Tel Aviv 100, with the exception of Delek Group Ltd. ("Delek Group"), subsidiaries or affiliates of Delek Group, the controlling shareholder (in concatenation) of the Partnership's general partner, at a scope that does not exceed 7.5% of the Partnership's overall investment portfolio on the date of the making of the investment, shall be deemed as investments which maintain the real value of the funds and their availability and/or any other investment which shall be approved by the Supervisor.

<u>Amendments:</u> July 17, 2012 October 22, 2015

For the avoidance of doubt it is hereby clarified that the General Partner may not, in the absence of the written approval of the Supervisor, refrain from the distribution of profits for the purpose of carrying development and production works and participating in further exploration activities beyond those regarding which plans were included in the prospectus whereby units are issued or shall be issued to the public and/or those which were approved by the general assembly and/or in development activities in leases I/12 Tamar and I/13 Dalit, as shall be approved by the General Partner from time to time according to the joint operation agreement which applies to leases I/12 Tamar and I/13 Dalit.

It is further clarified that in the case of a wrong estimation of the Profits or in the case whereby following the provisions of Section 63(b) of the Partnership Ordinance, there shall be an impediment to performing any distribution, in whole or in part, even after the amount for distribution has been announced, then the General Partner shall be exempt from any liability unless it acted in bad faith.

- 9.5. The opinion of the Limited Partnership's auditor (who was appointed for the Limited Partnership concurrently with the execution of the Limited Partnership Agreement, or any auditor that shall substitute him) on all matters regarding the determination of the distributable profits' amount and the calculation of the partners' share, according to the Limited Partnership Agreement, in the Limited Partnership's income, expenses and losses, shall be final and conclusive. If for whatever reason the said auditor's office is vacated, another auditor shall be appointed by the General Partner in his stead, so long as the appointment shall have received the Supervisor's written approval.

9.6. Royalties

The Partnership is liable for royalties as follows:

- a. According to the provisions of the Rights Transfer Agreement dated August 2, 1993, attached hereto as **Annex A1** and the royalties notes signed pursuant thereof from time to time, all undertakings with respect to royalties shall apply to all of the Oil Assets of the Partnership (existing and future). However, the rate of royalties for such shall be reduced by 50% with respect to the rate of royalties immediately prior to the amendment of this Section, other than leases Ashkelon I/10 and Noa I/7 for which the royalties rate shall be reduced by 47.42%. It is clarified that any term not defined in this Section 9.6(a) shall have the meaning ascribed to it under the Rights Transfer Agreement and the said royalties notes (which shall remain in full force with respect to the parties therein). For the avoidance of doubt, it is hereby clarified that the aforesaid shall not add and/or derogate from the royalties holders rights under the said Rights Transfer Agreement and royalties notes.
- b. According to Section 9.1.1 of the limited partnership agreement dated August 6, 1991 (as amended from time to time) signed between Avner Oil & Gas Ltd. as a general partner of the first part and Avner Trusts Ltd. as a limited partner of the second part, attached hereto as **Annex A2** (the "**Avner Partnership Agreement**") and the royalties notes signed pursuant thereof from time to time, all undertakings with respect to royalties shall apply to all of the Oil Assets of the Partnership (existing and future). However, the rate of royalties for such shall be reduced by 50% with respect to the rate of royalties immediately prior to the amendment of this section, other than

<p><u>Amendment:</u> May 17, 2017</p>

leases Ashkelon I/10 and Noa I/7 for which the royalties rate shall be reduced by 52.58%. It is clarified that any term not defined in this section 9.6(b) shall have the meaning ascribed to it under the Avner Partnership Agreement and the said royalties notes (which shall remain in full force with respect to the parties therein). For the avoidance of doubt, it is hereby clarified that the aforesaid shall not add and/or derogate from the royalties holders rights under to the said section 9.1.1 and the said royalties notes.

10. Authorities and Responsibilities of the General Partner

Amendments:

August 2, 1993
 August 3, 1993
 September 18, 1994
 December 23, 2004
 July 17, 2012
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The General Partner shall have full control over the Limited Partnership's management and business. The General Partner shall run the Limited Partnership's business and affairs as per its discretion and to the best of its ability, and it shall use its best efforts to execute the Limited Partnership's goals as per This Agreement. The General Partner shall have all the authorities and powers to take or initiate any action which it may deem necessary and/or useful for the execution of the Limited Partnership's goals (other than those authorities and powers which shall be specifically excluded in This Agreement, as shall be amended from time to time), and without derogating from the generality of the above, including also the following:

- 10.1. Sign on behalf of the Limited Partnership all the following agreements and documents and any change or amendment thereto or to any document which an action thereby shall entail, including:
- a. Right transfer agreements and right transfer notes from and to the Limited Partnership.
 - b. Applications for the receipt of Oil Assets and the change of terms thereof.
 - c. Agreements with other entities engaged in oil and gas exploration for cooperation therewith in oil and gas exploration.
 - d. Any application to the Ministry of Finance, the Ministry of Energy or any other governmental office.
 - e. Any other agreement or document which is connected to the Partnership's activities.

So long as the transfers from the Limited Partnership, as stated in sub-section "a" shall not be entered into or signed by the General Partner without the Supervisor's approval, and the rest of the actions and documents shall not be taken or signed by the General Partner unless in the General Partner's opinion they do not prejudice the Limited Partner's rights. The Supervisor shall not deny its approval without written reasons, based on his opinion that such action might violate the rights of the unit holders.

- 10.2. In general, and subject to the provisions of Section 10.1 above, sign agreements and documents on behalf of the Limited Partnership which include those conditions, stipulations and provisions as the General Partner shall deem fit.
- 10.3. Take credit on behalf of the Limited Partnership, as per its discretion, and subject to the provisions of Section 8.2 above, for the Limited Partnership's goals, and pledge for that purpose the Limited Partnership's assets, including (but not limited to) taking credit and pledging the Limited Partnership's assets for the purpose of operating and developing the Limited Partnership's Oil Assets.
- 10.4. Attend to any claim or legal proceeding on behalf of the Limited Partnership, whether as claimant or defendant, and resolve any such claims and legal proceedings; the General Partner may also settle the same, at its discretion, subject to the Supervisor's approved thereof.
- 10.5. Give any notice on behalf of the Limited Partnership.
- 10.6. Take any decision regarding the participation in production and/or the continuation thereof, provided that no profit distribution shall be delayed thereby, nor the Limited Partnership's equity increased, other than with the Supervisor's consent and in the manner stated in the Limited Partnership's agreement.
- 10.7. The General Partner shall keep full and accurate registrations and prepare reports regarding the affairs of the Limited Partnership and its business, and it shall release, on behalf of the Limited Partner the financial statements and any information which should be reported by the Limited Partner and the Partnership according to any law, including to the tax authorities, the ISA, the TASE and to holders of securities which the Limited Partner shall issue, all in the time, manner and specification level which are required according to law or to the Trust Agreement or to any prospectus according to which units are offered to the public, or according to the TASE rules.
- 10.8. Upon the written request of the Supervisor or the Limited Partner, as the case may be, which states that such request is required for the preservation of the Limited Partner's rights in the Limited Partnership (including for the preparation of a prospectus for the issuance of more units), the General Partner shall allow inspection of any of the Limited Partnership's documents, or any document which the Limited Partnership has a right to inspect, and shall provide any information in the possession of the Limited Partnership, and allow the Supervisor to carry out any inspection (including the appointment of an auditor or legal counsel on his behalf) which the Limited Partnership is entitled to do. All applicable confidentiality obligations according to the aforesaid agreements shall also apply to the Supervisor and the Limited Partner and they shall not use the said information except for the aforesaid purposes.

- 10.9. The General Partner shall prepare the following reports for the Limited Partner:

The General Partner shall prepare, for December 31 (the "**Report Date**") of each year in which the Limited Partnership shall have Oil Assets, an audited financial statement which shall specify all the expenses incurred during the previous year by the Partnership, and the amount of expenses deductible for tax purposes according to the principles determined in a legal opinion it shall have received, as well as all of the Partnership's profits (if any), and the tax to be withheld (if any).

The General Partner shall deliver the report to the Trustee not later than 90 days after the Report Date. The General Partner shall arrange to publicly release the report through TASE members, in the accepted manner for release of financial statements of companies whose securities are traded on the TASE.

- 10.10. The General Partner shall provide the Limited Partner with all the services which are required for the fulfillment of its duties vis-à-vis the income tax authorities.

11. Liability, Indemnification and Insurance

11.1. Liability, indemnification and insurance of the General Partner

- (a) The General Partner shall not be liable towards the Limited Partnership and/or the Limited Partner for any act, including omission, made on behalf of the Limited Partnership according to the authorities vested in the General Partner by or according to This Agreement or by law, unless the acts are fraudulent or malicious or constitute gross negligence.

The Limited Partnership shall indemnify the General Partner for any loss, expense or damage caused thereto or which it will be required to bear, whether directly or indirectly, in relation to any action it took on behalf of the Limited Partnership according to the authorities vested in the General Partner by This Agreement or by law.

For the avoidance of doubt it is clarified that the aforesaid indemnification shall not apply to loss, expense or damage which the General Partner is liable for as a result of act or omission made fraudulently or maliciously or which constitute gross negligence.

- (b) The Limited Partnership shall engage in an insurance contract under a single policy or several policies to cover any loss and/or expense and/or damage which the General Partner shall bear or be required to bear, directly or indirectly, for any act or omission which it, or its representative, have made in

<p><u>Amendments:</u> August 2, 1993 July 17, 2012 July 10, 2019</p>
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fulfillment of their duties on behalf of the Limited Partnership according to the authorities vested in any of them, including by virtue of This Agreement or according thereto, or according to the law. The insurance fees shall not be higher than the amount approved by the Supervisor. Such insurance contract may be entered into directly by the Partnership and/or throughout the General Partner and/or its controlling party, so long as the Partnership shall bear the expenses of the said insurance; and all subject to the provisions of This Agreement, the Trust Agreement and any law.

11.2. Liability, indemnification and insurance of officers of the General Partner and/or officers of the Partnership

(a) Officers of the General Partner and/or officers of the Partnership shall be liable towards the Limited Partnership and/or the Limited Partner for damage caused by any act, including omission, made on behalf of the Limited Partnership according to the authorities vested in any of them, including by virtue of This Agreement or according thereto, or according to any law, in each of the following cases:

1. If they have acted in violation of the duty of care (as per title A of the third chapter of the sixth part of the Companies Law) – which is hereby applied thereto pursuant to Section 65J of the Ordinance.
2. If they have acted in violation of the fiduciary duty (as per title B of the third chapter of the sixth part of the Companies Law) – which is hereby applied thereto pursuant to Section 65J of the Ordinance.

Service and/or employment of an officer in the General Partner and/or officer in the Partnership shall be subject to his or her consent to undertake the aforesaid duty of care and fiduciary duty.

(b) Subject to the provisions of the Ordinance, the Partnership may approve any of the actions which are listed in Section 254(a) of the Companies Law which was executed by officers of the General Partner and/or the Partnership, so long as the conditions specified in Section 255 of the Companies Law are fulfilled.

(c) Subject to the provisions of any law and the provisions of Section 11.3 below, the Limited Partnership may exempt in advance officers of the General Partner and/or the Partnership from their liability, in whole or in part, for damage resulting from breach of the duty of care towards the Partnership and/or the Limited Partner, or any other breach for which officers may

be legally exempted. Notwithstanding the aforesaid, the Partnership may not exempt in advance a director in the General Partner from its liability towards the Partnership and/or the Limited Partner as a result of breach of duty of care upon distribution of the Partnership's profits.

- (d) Subject to the provisions of any law and the provisions of Section 11.3 below, the Limited Partnership may indemnify each of the officers of the General Partner and/or officers of the Partnership for any liability or cost imposed thereon or which they shall have incurred as a result of fulfillment of their duties in the General Partner and/or the Partnership, as the case may be, in any of the following cases:
1. Monetary liability shall have been imposed thereon and/or on their representatives, in Israel and/or overseas, in favor of a person and/or other body by virtue of a court ruling, including a judgment issued in a compromise or an arbitrator's award which was approved by the court.
 2. Reasonable litigation expenses, including attorney's fees, incurred by officers and/or their representatives, due to an investigation or proceeding conducted against them by an authority authorized to conduct an investigation or a proceeding, either in Israel or overseas, and having ended without the filing of an indictment against them and without a monetary liability being imposed upon them in lieu of a criminal proceeding, or having ended without the filing of an indictment against them but with the imposition of a monetary liability – in lieu of a criminal proceeding in an offense requiring no proof of general intent or in relation to pecuniary sanction; In this paragraph – a "proceeding ending without the filing of an indictment in a matter in which a criminal investigation had been launched" and "monetary liability in lieu of a criminal proceeding" – as their meaning in Section 260(a)(a1) of the Companies Law.
 3. Reasonable litigation expenses including attorney's fees, incurred by officers and/or their representatives, or which were imposed thereon by a court, in a proceeding launched against them by the Partnership or on its behalf, or by another person and/or body, or in a criminal indictment of which they were acquitted, or in a criminal indictment of which they were convicted in an offense requiring no proof of general intent.
 4. Payment to a party injured by a breach which is specified in Section 52-54 (a)(1)(a) of the Securities

Law and/or for expenses incurred in relation to proceedings according to chapters H3, H4 or I1 of the Securities Law, including reasonable litigation expenses including attorney's fees.

5. Expenses incurred by him in relation to a proceeding which was conducted in relation to him under Chapter G1 of the Economic Competition Law, 5748-1988 (the "**Economic Competition Law**") and/or in respect thereof, including reasonable litigation expenses including legal fees;
 6. Any other liability or expense for which it is, or shall become, legal to indemnify an officer of a company, according to the Ordinance.
- (e) Subject to the provisions of any law and the provisions of Section 11.3 below, the Limited Partnership may:
- (1) Grant an advanced undertaking to indemnify each of the officers of the General Partner and/or the Partnership in any of the following:
 - (a) As detailed in section 11.2(d)1, so long as the indemnification undertaking shall be limited to occurrences which the board of directors of the General Partner consider to be expected in light of the Partnership's actual activity at the time of the indemnification undertaking, and to an amount or criterion which the board of directors of the General Partner determined as reasonable under the circumstances, and provided that the indemnification undertaking shall specify the occurrences which the board of directors of the General Partner determined as expected in light of the Partnership's actual activity at the time of the indemnification undertaking, as well as the amount or criterion which the board of directors of the General Partner determined as reasonable under the circumstances.
 - (b) As detailed in Sections 11.2(d)2 to 11.2(d)6 above.
 - (2) Retrospectively indemnify officers in the Partnership or the General Partner.
- (f) (Cancelled)
- (g) It is hereby clarified that in case the Limited Partnership shall give an advanced undertaking as per Section 11.2(e) above, the General Partner shall not make an advanced undertaking to

indemnify the officers of the General Partner and/or the officers of the Partnership.

(h) Insurance

The Limited Partnership may engage in an insurance contract under a single policy or several policies to cover any loss and/or expense and/or damage which shall be borne, or required to be borne, directly or indirectly, by any of the officers of the General Partner and/or any of the officers of the Partnership (each of them shall be hereinafter referred to as "**Officeholder**"), for any act or omission which they, or their representatives, have made during the fulfillment of duties on behalf of the Limited Partnership pursuant to the authorities vested in any of them, including by virtue of This Agreement or according thereto, or according to the law. Without derogating from the aforesaid, the Limited Partnership may insure an officer for expenses incurred by him in relation to a proceeding under Chapter G1 of the Economic Competition Law and/or with respect thereto, including reasonable litigation expenses, including legal fees. The insurance fees shall not be higher than the amount approved by the Supervisor. Such insurance contract may be entered into directly by the Partnership and/or through the General Partner and/or its controlling party, so long as the Partnership shall bear the expenses of the said insurance; and all subject to the provisions of This Agreement, the Trust Agreement and any law.

11.3. Notwithstanding the aforesaid, it shall not be possible to insure the liability of an Officeholder nor to indemnify and/or exempt an Officeholder for any of the following:

- (a) Breach of the Officeholder's fiduciary duty towards the Partnership and/or the Limited Partner and/or a subsidiary of the Partnership, excluding a breach of fiduciary duty in good faith, when the Officeholder had reasonable cause to believe that the act would not harm the best interest of the Partnership and/or the Limited Partner and/or the Partnership's subsidiary;
- (b) Breach of the Officeholder's duty of care which was performed intentionally or recklessly, unless performed with negligence or gross negligence;
- (c) An act of an Officeholder taken with the intention to reap unlawful personal gain;
- (d) A fine, civil fine, pecuniary sanction or penalty imposed on an Officeholder.
- (e) Administrative enforcement proceeding, excluding payment to a party injured by a breach, as stated in Section 52BBB(a)(1)(a)

of the Securities Law and/or for expenses incurred by an Officeholder in relation to an administrative enforcement proceeding, including reasonable litigation expenses, including attorney's fees.

- (f) A counterclaim of the Partnership following a claim filed by an Officeholder against the Partnership which the Partnership won against an Officeholder.

11.4. For the avoidance of doubt, it is hereby clarified that nothing in the provisions of Sections 11.2 to 11.3 above shall derogate from resolution no. 1 which was adopted in the general assembly of the holders of participation units, which was convened on October 9, 2011.

12. The Limited Partner

12.1. The Limited Partner shall not participate in any way in the management of the Limited Partnership or its business and shall not take any legal action on behalf of the Limited Partnership. The Limited Partner's actions shall not bind the Limited Partnership.

12.2. The Limited Partner shall not be liable for the Limited Partnership's liabilities beyond the amounts which it contributed to the Limited Partnership's equity as aforesaid.

12.3. The Limited Partner is the sole owner of its rights according to This Agreement towards the General Partner and towards the Limited Partnership and nothing in This Agreement, including also the reference in This Agreement to provisions of the Trust Agreement and the prospectus regarding the public offering or matters which require the Supervisor's approval or consent, shall be construed as conferring a right according to This Agreement on any party, other than the Limited Partner itself, nor as rendering it a partner in the Limited Partnership.

13. The Supervisor

13.1. The Supervisor is not a partner in the Limited Partnership. The sole purpose of everything stated in the Limited Partnership Agreement regarding matters which require the Supervisor's approval or consent or any other authority vested in the Supervisor is to secure the Supervisor's supervision that the General Partner's actions are taken thereby in the best interest of the Limited Partnership and without prejudice to the rights of the Limited Partner. In order to grant his approval, the Supervisor will not be required to examine the terms of transactions and the economic reasonableness of decisions and transactions, but merely the question whether the transactions and/or decisions and/or the considerations on which they are based might violate the rights of the Limited Partner. The Supervisor shall not prevent the granting of a requested approval other than for reasons based on the aforesaid considerations and given in writing. Both the General Partner and the Limited Partner may apply to the court, asking

that should it find the requested approval to be not in violation of the rights of the unit holders it shall order the Supervisor to grant the requested approval.

- 13.2. Where the Supervisor's approval is required according to This Agreement, no such approval shall be valid unless issued by the Supervisor in writing. Where an approval is requested of the Supervisor, he shall reply thereto within reasonable time, and in the case of refusal, shall reason in his reply how the approval will lead to the violation of the rights of the unit holders.

13a. Internal Auditor

Amendment:
July 17, 2012

The Partnership shall have an internal auditor. The provisions of the Companies Law which apply to internal auditors in public companies shall also apply, *mutatis mutandis*, to the office of the Partnership's internal auditor. For that matter, it is clarified, for the avoidance of doubt, that all references made by the provisions of the Companies Law to an audit committee, chairman of the board of directors and CEO – shall be considered as referring to the Supervisor, the chairman of the board of the General Partner and the General Partner's CEO, respectively.

14. Competing with the Limited Partnership and Limitation of Transactions with the General Partner and its Controlling Parties

Amendment:
April 8, 2010

- 14.1. The partners may not compete with the Limited Partnership and may not engage in the business of oil and/or gas exploration and/or production or any other business which the Limited Partnership shall engage in during the term of This Agreement (excluding the purchase of securities on the stock exchange, including securities which confer participation rights in the Trustee's rights in the Limited Partnership or which confer a right to purchase such securities, or which are convertible thereto, and also including securities of companies which have interest in Oil Assets in which the Limited Partnership also has interest in).

- 14.2. Unless upon the Supervisor's written approval, no irregular transactions (within the meaning of the term in the Companies Law) shall be entered between the Limited Partnership of the first part and the General Partner (or its controlling parties, as aforesaid), or in irregular transactions in which the controlling party of the General Partner has a personal interest (within the meaning of the term in the Companies Law), excluding transactions of types which were allowed by This Agreement or the Trust Agreement and transactions which shall be described as existing transactions in the prospectus whereby units will be offered to the public for the first time.

It is clarified that the aforesaid shall not apply to the Partnership's interaction (in which there is a personal interest as aforesaid) if it is a part of an interaction of all partners in a joint venture which includes the Partnership and which the Partnership does not control, provided

that the interaction is on equal terms to those of the other partners (considering their relative share in the joint venture).

15. Introduction of Additional Partners and Changes to the Shares in the Limited Partnership

No partners shall be further added to the Limited Partnership, and the share of each of the partners in the Limited Partnership, its profits and losses, shall remain unchanged, unless it was specifically agreed, in advance and in writing, by the Supervisor and the General Partner.

16. Engagement with Other Entities in a Joint Operation Agreement

The General Partner may decide, on behalf of the Limited Partnership and with the Supervisor's approval, that the Limited Partnership shall join additional entities in a joint transaction whose purpose shall be oil and gas exploration in the Oil Assets in which the Limited Partnership has interest.

In that case, a joint operation agreement shall be signed, whereby all expenses related to oil and gas exploration shall be divided between the partners, and the partners shall be entitled to a certain part of future income, if any, when oil or gas are found. The execution of the joint operation agreement is subject to receipt of the Supervisor's approval, after his confirmation and examination that the execution of the agreement does not violate the rights of the unit holders. Engagement with additional partners in a joint operation agreement shall lead to dilution of the Limited Partnership's share in income deriving from oil and gas exploration, if any.

17. Term of the Limited Partnership

The term of the Limited Partnership's existence is so long as the Limited Partnership has, directly or indirectly, a valid Oil Asset or a right thereto or to the produced oil or gas. The Limited Partnership shall terminate prior to the aforesaid dates in case it was previously dissolved according to the provisions of This Agreement or by law or upon the partners' consent.

18. Changes to the Limited Partnership's Agreement

No changes shall be made to the agreement unless by another written agreement between the General Partner and the Limited Partner.

19. Termination of the General Partner's Duties

The General Partners' duties shall terminate according to This Agreement upon the occurrence of any of the following:

- 19.1. A decree was issued or a valid decision was reached regarding the liquidation of the General Partner, except for liquidation for the purposes of merger with another company or re-organization of the General Partner.

<p><u>Amendment:</u> August 3, 1993</p>

- 19.2. A receiver was appointed to the General Partner or to a substantial portion of its assets, such that the receiver gains control over the General Partner's business.
- 19.3. The General Partner shall become permanently incompetent to perform its duties according to This Agreement.

Whenever the duties of the General Partner shall terminate, another partner (which is not a limited partner) shall be appointed in its stead to fulfill the General Partner's functions according to This Agreement, and should it be necessary, another partner shall be added for that purpose to the Partnership as a general partner, which shall invest in the Partnership's equity the amount equivalent to 0.01% of the Limited Partnership's equity (or such other amount as the partners shall agree upon), and its share in the Limited Partnership, regarding losses and profits, shall be the same as the share of its investment in the Limited Partnership's equity.

20. Dissolution

The Limited Partnership shall be dissolved upon one of the following occurrences:

- 20.1. The time shall have arrived for the Limited Partnership to terminate according to Section 17 above.
- 20.2. The General Partner has terminated its duties according to the provisions of Section 19 above and no other partner was appointed as its substitute within 6 months thereafter.
- 20.3. The partners have agreed to dissolve the Limited Partnership.

21. Dissolution Exclusions

The Limited Partnership shall not be dissolved on the sole ground that:

- 21.1. An order being issued for the liquidation or receivership of the General Partner, or it becoming permanently incompetent to fulfill its duties according to This Agreement – and in such a case the General Partner shall withdraw from its responsibilities and the provisions of Section 19 above shall apply.
- 21.2. An order being issued for the liquidation or receivership of the Limited Partner, or it becoming permanently incompetent to fulfill its duties according to This Agreement. Upon the occurrence of one of the above, the Limited Partner shall be substituted by whoever is entitled and/or authorized to act in the Limited Partner's assets.

22. Dissolution Administration

- 22.1. The administration of the dissolution shall be carried by whoever is appointed by the court for this purpose and it may be the General Partner (if the court so orders) unless one of the occurrences specified

in Sections 19.1 and 19.2 above shall have happened, and in that case another person or legal entity shall be appointed as the dissolution administrator (the General Partner or the person so appointed shall be hereinafter referred to, in this section, as "**The Dissolution Administrator**").

- 22.2. The Dissolution Administrator shall have, for the purpose of the administration of the dissolution, the full authorities and powers of the General Partner and he may continue the management of the Partnership's business until the dissolution is finalized.
- 22.3. At the commencement and conclusion of the dissolution, the Dissolution Administrator shall cause the Limited Partnership's auditors to prepare appropriate accounts of the Limited Partnership's assets, liabilities and actions as of the dates of commencement and conclusion of the dissolution.
- 22.4. The assets of the Limited Partnership shall be used by the Dissolution Administrator in the following manner and order:
- a) Payment of all expenses related to the dissolution of the Limited Partnership's affairs.
 - b) Payment of the Limited Partnership's liabilities towards those who are not partners therein.
 - c) Payment of the Limited Partnership's liabilities towards the partners.
 - d) The balance of the Limited Partnership's funds and assets which shall remain after the aforesaid payments and expenses, or after the provision of funds and assets by the Dissolution Administrator for that purpose, shall be distributed amongst the partners pro rata to their share in the Limited Partnership's profits, expenses and losses according to Section 9 above.

23. Limitation on Transfer of Rights to the Limited Partnership

The transfer of the Limited Partner's rights to the Limited Partnership, or any part thereof, or their pledge, requires the consent of the General Partner which may refuse the transfer and/or pledge as per its discretion and for whatever reason, and without having to give any reason to its refusal. The General Partner's consent could be given in advance for certain types of cases during the entire term of the Limited Partnership or any part thereof, and once granted, it shall become irrevocable. (The General Partner hereby agrees to the transfer of the Limited Partner's rights in the Limited Partnership in those cases in which, according to the Trust Agreement, the substitution of the Trustee is allowed).

24. The Partnership's Election at the Beginning of Chapter B of the Income Tax Law (Adjustments for Inflation), 5745-1985

Unless otherwise decided by the General Partner, with the Supervisor's advanced approval, the Limited Partnership shall elect that the provisions of Chapter B of the Income Tax Law (Adjustments for Inflation), 5745-1985 shall apply thereto.

25. Miscellaneous

25.1. This Agreement is subject to Israeli law and the parties agree that the exclusive venue for any matter related to This Agreement shall be the competent court in Tel Aviv.

25.2. The Supervisor may petition the court for instructions on the manner in which the General Partner should execute its authorities, or avoid such execution, in certain cases that shall be specified in the petition. The Supervisor shall not act in the aforesaid manner unless, in his opinion, the General Partner's act or omission are with prejudice to the rights of the Limited Partner and only for the purpose of removing or preventing the violation (but not for the purpose of management or interruption in the management of the Limited Partnership), and all that after having approached the General Partner in writing, specifying the reasons for to the Supervisor's position whereby the act or omission of the General Partner which were specified in the letter are in violation of the rights of the Limited Partner, and this letter was not answered within 7 days, or if the General Partner's response did not satisfy the Limited Partner. The Supervisor may petition the court even after a period shorter than 7 days from his approach to the General Partner, and even without approaching at all, if it considers such urgent petition as necessary for the prevention of the violation of rights of the unit holders or warrant holders, which cannot be delayed pending receipt of an answer. The stamping costs of This Agreement shall be borne by the Limited Partner.

26. The General Partner is hereby granted power-of-attorney to sign on behalf of the partners and the Partnership any document and take any action it may deem fit for the purpose of registering the Partnership according to Israeli law.

27. Notices according to This Agreement or in relation thereto shall be delivered by hand or by regular mail. The delivery date of notices delivered by hand shall be the day of delivery. The delivery date for notices which were mailed to the addresses which appear in the heading of This Agreement, or to other addresses of which notice had been given, shall be the fourth day following their delivery in the post office.

28. The Partnership may donate reasonable amounts to worthy causes, even if the donation is not intended to generate profit for the Partnership. The General Partner's board of directors is authorized to determine, at its discretion, the amounts of the donations, the causes for which they shall be made, the identity of the donation recipients, and any other condition in connection therewith.

<p><u>Amendment:</u> September 21, 2022</p>

The General Partner's board of directors may also authorize the General Partner's CEO or a responsible person on behalf of the Partnership, as the case may be, to decide on donations in the context of the amounts that shall be determined by the board of directors.

In witness whereof, the parties have hereto set their hands:

The General Partner

The Limited Partner