

Amended Settlement Agreement

Drafted and signed on March 4, 2024

In the Matter of: Miri Rosenfeld, Identity No. 308253343

Represented by counsel, Adv. Zvika Matzkin
33 Jabotinsky Street, Twin Tower 1, 2nd Floor
Ramat Gan 5251107
Tel: 03-5552515; Fax: 03-5552516
Email: office@zml.co.il
and Adv. Or Salomon
of 23 Shaked Street, Tel Aviv
Tel: 054-4210487; Fax: 03-5552516
Email: or.salomon86@gmail.com

(hereinafter: the “**Petitioner**”)

v.

1. Roadget Business Pte. Ltd.

2. Fashion Choice Pte. Ltd.

Represented by counsel, Adv. Yael Riemer and/or Adv. Nofar Yorav and/or Adv. Meitar Ben Abu *et al.*
FBC & Co.
Pursuant to a limited power of attorney
146 Menachem Begin Road, Tel Aviv 6492103
Tel: 03-6069640; Fax: 03-6069625
Email: yriemer@fbclawyers.com

(hereinafter jointly: the “**Respondents**”)

Whereas

on August 10, 2022, the Petitioner filed a statement of claim and a petition for the certification of a class action against the Respondents in Class Action 21305-08-22, which is being adjudicated before the Central-Lod District Court (hereinafter jointly: the “**Action**” and the “**Petition for Certification**”) and deals with additional payment for the shipping guarantee service on the Respondent’s website.

It is claimed in the Petition for Certification, *inter alia*, that when an order is placed on the Respondent’s website, extra payment for a shipping guarantee is checked off as the default option, which exerts undue influence on consumers in Israel as established in Section 3(a) of the Consumer Protection Law, 5741-1981 (hereinafter: “**the Consumer Protection Law**”), ostensibly in violation of the directive of the commissioner of the Consumer Protection Authority of April 11, 2022.

It is claimed in the Petition for Certification that in their above-described acts, the Respondents mislead their consumers; disadvantage their consumers with a standard-

form contract; violate the provisions of the Contracts Law (General Part) 5733-1973; violate the provisions of the Consumer Protection Law; act in bad faith in entering into a consumer agreement and performing it; violate the provisions of the Torts Ordinance [New Version] and gain enrichment at the consumers' expense; and

Whereas on August 10, 2022 the Petitioner filed a "motion for service of process outside the country", in which she petitioned for leave to serve the pleadings on the Respondents, and in its decision of August 10, 2022 the Honorable Court established the manner of service of process and the documents that the Petitioner was required to serve on the Respondents; and

Whereas on December 8, 2022 the Petitioner filed a motion for a decision in which she requested that the Honorable Court rule that lawful service had been perfected on the Respondents (hereinafter: the "**Motion to Recognize Service of Process**"), and on December 14, 2022 and December 20, 2022 the Petitioner filed update notices with respect to the Motion, in which she notified the Honorable Court of developments pertaining to the service of process proceeding; and

Whereas on January 1, 2023, the Respondents filed their Response to the Motion to Recognize Service of Process, in which they argued that the Petitioner had not fulfilled the provisions of the Honorable Court's decision of August 10, 2022 – not with respect to the manner of service of process nor with respect to the documents that she was required to serve – and therefore lawful service of process had not been perfected; and

Whereas the Respondents deny the claims that the Petitioner made in the Action and the Petition for Certification and believe that they have good and appropriate defense arguments, including with respect to service of process (which, in their opinion, was not lawfully perfected), lack of jurisdiction, the applicability of the foreign law, *forum non convenience* and so forth; and

Whereas the Respondents believe that the shipping guarantee service complies with the law, and not only did it not cause any damage whatsoever to the alleged members of the class, but it actually benefited them and suited their needs, and they therefore deliberately chose to purchase this service; and

Whereas on January 25, 2023 the parties filed with the Honorable Court a notice and motion by consent in which they stated that, for practical reasons, they wished to conduct discussions with respect to the proceeding, without admitting to any argument of any type and/or derogating from various arguments available to the parties, including with respect to service of process, lack of jurisdiction, *forum non convenience* and/or any other argument whatsoever.

And in the aforementioned notice, the parties clarified that the discussions were being conducted pursuant to a limited power of attorney granted to counsel for the Respondents, and the parties agreed that the fact of the discussions and matters related

thereto would not lead to the cancellation of or any change to the restrictions that had been established in the limited power of attorney, including with respect to the restrictions on counsel for the Respondents to receive pleadings or serve as counsel in court proceedings. Furthermore, counsel for the Petitioner undertook not to make any claim in this regard as a result of, or in connection with, the discussions and conducting contacts between the parties; and

Whereas the discussions between the parties have succeeded and yielded the understandings set forth in this agreement; and

Whereas the parties agree that the adjudication of all their arguments will entail a long and complex court proceeding whose outcome is uncertain, and in view of all the circumstances, the parties agreed to save their legal costs as well as court time, and attempt to reach a settlement agreement that will terminate the proceeding; and

Whereas the parties agree that, for the purpose of this agreement only, the termination of the proceeding with this settlement agreement is the most efficient and fair way for a decision to be reached under the circumstances. On July 13, 2023, the parties submitted the settlement agreement to the Honorable Court alongside a Petition for its Certification; and

Whereas on September 19, 2023, a hearing regarding the Petition for the Certification of a Settlement Agreement was held, and during the hearing, the Honorable Court (Honorable Judge Y. Moshkovich) commented on the settlement agreement and instructed the parties to amend it; and

Whereas In light of the Honorable Court's comments, the parties have reached agreements regarding the amendments to the settlement agreement, and on December 12, 2023, the parties submitted an amended settlement agreement to the Honorable Court (hereinafter: the "**Amended Settlement Agreement**" or the "**Agreement**"); and

Whereas In accordance with the comments of the Honorable Court on its decision dated January 14, 2024, the parties have made further amendments to the Amended Settlement Agreement; and in its decision dated February 4, 2024, the Honorable Court ordered the inclusion of these amendments in the Amended Settlement Agreement.

Whereas the parties are of the opinion that the settlement set forth below is an appropriate, fair, and reasonable settlement that benefits the class members and that the Amended Settlement Agreement appropriately balances the interests, chances and risks of each of the parties, and the parties believe that it entails more than significant benefit for the class members as defined in Sections 1.3 and 5 below, *inter alia*, in view of the compensation that will be granted in the framework of this agreement as set forth below.

The parties therefore declare, stipulate and agree as follows:

1. **Introduction and appendices**

- 1.1 The introduction to this agreement and the appendices hereto are an integral part of this agreement (hereinafter jointly: the “**Agreement**” and the “**Settlement Agreement**”).
- 1.2 The section headings have been inserted for the purpose of convenience only and they may not be used to interpret the Agreement. Everything in the Agreement that appears in the singular will have the same meaning in the plural. Everything stated in the masculine will have the same meaning in the feminine.
- 1.3 All the terms set forth below in the Agreement will have the following meanings:

The “Petitioner”	Miri Rosenfeld, Identity No. 308253343
The “Respondents”	Roadget Business Pte. Ltd. and Fashion Choice Pte. Ltd.
The “Court”	The (Central) Lod District Court
The “Action”	Class Action 21305-08-22, which the Petitioner filed with the Court on August 10, 2022.
The “Petition for Certification”	The petition for the certification of a class action that the Petitioner filed on August 10, 2022.
The “Effective Date”	The date on which the judgment certifying the Settlement Agreement pursuant to Sections 18 and 19 of the Class Actions Law, 5766-2006 (hereinafter: the “ Class Actions Law ”) became a peremptory judgment.
The “Certification of the Agreement”	The certification of this Settlement Agreement by the Court and granting the force of a judgment to the Settlement Agreement, pursuant to that established in Sections 18 and 19 of the Class Actions Law and pursuant to that established in the Class Actions Regulations, 5770-2010 (hereinafter: the “ Class Actions Regulations ”).
The “Commissioner’s Directive”	The directive of the commissioner of the Consumer Protection and Fair Trade Authority of April 11, 2022, which went into effect on May 11, 2022 (one month from its publication on the authority’s website).
The “Represented Plaintiffs” and the “Class Members”	Everyone who was charged for the shipping guarantee service on the Respondents’ website (as defined below) from May 11, 2022, when the Commissioner’s Directive went into effect, until

October 29, 2022, when the Respondents removed the option to purchase the shipping guarantee service from the Respondents' Website (beyond the letter of the law), and who has not given notice of his desire not to be included in the class.

The “Causes of Action”

The Causes of Action as set forth in the Petition for Certification or the Action, and any cause of action that was claimed in the Petition for Certification or in the Action or in a pleading that was filed in this proceeding or that emerges from the factual framework set forth therein or connected thereto.

**The “Respondents’ Website”
and the “Website”**

An eCommerce Website operated by Respondent No. 1 in Israel, under the commercial name SHEIN, which can be found at: <http://il.shein.com>, and/or the SHEIN application in Israel installed on mobile phones. It is clarified that although the class was defined in the Petition for Certification as only including consumers who made a purchase on the eCommerce Website, beyond the letter of the law this Agreement and the benefit provided in the framework hereof also apply to consumers who made purchases through the application.

1.4 The appendices to the Agreement are as follows:

Appendix A

The wording of the Petition for the Certification of a Settlement Agreement that will be filed with the Court.

Appendix B

The wording of the first notice to the public pursuant to Section 25(a)(3) of the Class Actions Law.

Appendix C

The wording of the second notice to the public pursuant to Section 25(a)(4) of the Class Actions Law.

Appendix D

Affidavits by counsel for the parties by virtue of Section 18(b) of the Class Actions Law and by virtue of Regulation 12(b)(2) of the Class Action Regulations.

Appendix E

Affidavits by the litigants pursuant to Regulation 12(b)(1) of the Class Actions Regulations.

2. **Declarations by the parties**

- 2.1 The parties declare that there is no legal and/or contractual and/or other impediment to them entering into this Settlement Agreement or to them fulfilling their obligations pursuant hereto in a complete and timely manner, all subject to the certification of this Agreement by the Court.
- 2.2 The parties declare that the fact that they are entering into this Settlement Agreement does not constitute an admission by either of them and/or anyone on their behalf to any argument and/or demand by the other party, whether it was made in the pleadings that were filed by the parties or in the framework of the discussions between the parties, and the understandings that will be set forth in this Agreement below are intended solely for settlement purposes.

3. **The parties' agreements**

- 3.1 As part of the negotiation proceeding, the parties considered their arguments and the chances and risks they face, including the expenses involved in continuing the proceedings in court on the one hand, and the potential of the approval of the Petition for Certification on the other, considering the agreements they reached as detailed below. Following this, the parties reached the below settlement, which, subject to its approval by the honorable court and its implementation, will terminate the proceedings.
- 3.2 It should be clarified that the agreements in the below settlement do not reflect the agreement of any of the parties to the arguments of the other party. The agreements are intended for settlement purposes only, without admitting the arguments of the other party and without admitting any liability, and they weigh the chances and risks inherent in the management of the case, similar to any compromise within a legal proceeding. It is agreed between the parties that if the Petition for the Certification will not be accepted, the Petition and/ or the settlement and/or anything related to them directly and/or indirectly will not constitute waiver and/or admission on behalf of any of the parties, and there will be no use in them and/or in anything related to them.

4. **Certification of the Settlement Agreement**

Within seven business days from the signing of this Settlement Agreement, the parties will file with the Court a Petition for the Certification of the Agreement, to which the Agreement will be attached, whereby the parties inform the Honorable Court with respect to the signing of this Settlement Agreement and request as follows:

- 4.1 That the Honorable Court order that notice be published with respect to the filing of the Petition for the Certification, in accordance with the requirement of Section 25(a)(3) of the Class Actions Law, in the wording attached as **Appendix B** (hereinafter: the “**First Notice**”). The First Notice will be published in two widely circulated daily newspapers. The Respondents will bear the cost of publishing the First Notice.

In the First Notice, the Represented Plaintiffs will be summoned to give notice within 45 days after the First Notice is published, in a manner to be indicated in the [First] Notice, if they do not wish to be included in the class of Represented Plaintiffs, pursuant to that stated in Section 11 of the Class Actions Law (hereinafter: the “**Notice of Withdrawal**”). The First Notice will include the option to submit objections to the Settlement Agreement as detailed in section 18(d) of the Law (hereinafter: the “**Objections**”).

- 4.2 That the Honorable Court will order that a person who has the right to object to the Settlement, as detailed in Section 4.1 above, shall submit a reasoned objection within 45 days from the date of publication of the First Notice in the press, and also to order that if and when such objection is submitted, the parties to the Settlement shall be entitled to submit a response to the objection in accordance with the provisions of section 18(e) of the Class Actions Law;
- 4.3 That the Honorable Court order that the First Notice be sent, along with a copy of the Petition for the Certification and the Agreement, to the attorney general, the consumer protection commissioner and the director of courts. The Respondents will be responsible for executing that stated in this section.
- 4.4 That subject to the foregoing, 45 days after the First Notice is published, the parties will request that, for the sole purpose of the Agreement and subject to that stated in this Agreement, the Court certify the Agreement as a settlement agreement in the Action and grant it the force of a judgment (hereinafter: the “**Judgment**”), and that the Court simultaneously order that a second notice to the public be published in the wording attached as **Appendix C**, as established in Section 25(a)(4) of the Class Actions Law (hereinafter: the “**Second Notice**”). The Second Notice will be published in two widely circulated daily newspapers. The Respondents will bear the cost of publishing the Second Notice.
- 4.5 That the Honorable Court will order that the approval of the Settlement Agreement does not require the appointment of an examiner, as detailed in Section 13 below. Insofar as the Honorable Court will order such an appointment, the Respondents will bear the cost of the examiner.
- 4.6 The Honorable Court is also requested to exempt the Respondents from paying the second half of the fee pursuant to Regulation 7a(a)(3) of the Court Regulations (Fees), 5767-2007 (hereinafter: the “**Fee Regulations**”).
- 4.7 This Settlement Agreement will not apply to a class member who sent a Notice of Withdrawal (as defined in Section 4.1 above), pursuant to that stated in Section 11 of the Class Actions Law.

5. **The Class Members**

The Class Members to whom this Settlement Agreement will apply will be the “Represented Plaintiffs” and the “Class Members”, as defined in Section 1.3 above, unless they sent a Notice of

Withdrawal (as defined in Section 4.1 above) and the Court allowed them to withdraw from the class.

6. **The Respondents' undertakings**

After the Effective Date, subject to the fulfillment of the condition precedent (as defined in Section 11 below), the provisions of this section will apply.

6.1 **The compensation that will be provided by the Respondents to the Class Members**

6.1.1 **The Respondents will provide the following benefits to the Class Members:**

6.1.1.1 **A total amount of NIS 1.5 million through Bank of Benefits:** The Respondents will provide the Class Members with a purchase credit of NIS 10, which can be redeemed on the Respondents' Website (hereinafter: the "**Purchase Credit**"), on a "first come, first served" basis, up to a total amount of NIS 1.5 million, through rounds of utilization as detailed below, some or all, as required (hereinafter: the "**Bank of Benefits**").

6.1.1.2 **Free Shipping:** The Respondents will provide the Class members with a free shipping code, which, when entered on the checkout page of the Respondents' website, will entitle the Class Members to free shipping (hereinafter: the "**Shipping Code**").

6.1.2 **Benefit Period:** The Purchase Credit and the Shipping Code shall be valid for redemption on the Respondents' website for a period of 6 (six) months starting from the date of sending the Information Notice as specified in section 6.2.3 below (hereinafter: the "**Benefit Period**").

6.2 **The mechanism for implementing compensation under the settlement agreement**

6.2.1 **The Purchase Credit**

6.2.1.1 Within 45 days from the Effective Date, the Respondents will send a notice to the email addresses of the Class Members as recorded in the Respondents' systems, containing a Purchase Credit, in accordance with the wording specified in section 6.2.3 below (hereinafter: the "**First Round**").

6.2.1.2 The Purchase Credit will be sent to the email addresses of the Class Members as a link. Clicking on the link will activate the Purchase Credit for the Class Member. The link will remain active for a period of 30 days.

6.2.1.3 The Purchase Credit will be allocated on a "first come, first served" basis. Therefore, if when clicking on the link, the balance of the

Bank of Benefits reaches 0 (zero), accessing the link will display a message indicating that the benefit has ended.

- 6.2.1.4 The Purchase Credit will be redeemable on the Respondents' Website during the Benefit Period, i.e., for a duration of 6 (six) months.
- 6.2.1.5 The Purchase Credit can be used to purchase a variety of the Respondents' products available on the Respondents' Website. The Purchase Credit can be used both to purchase products with a price lower than the amount of the Purchase Credit as well as products with a price higher than the amount of the Purchase Credit (the Class Member will pay the difference).
- 6.2.1.6 The Purchase Credit can only be redeemed for a single purchase (meaning it cannot be divided into multiple transactions).
- 6.2.1.7 A Class Member who purchases a product with a value lower than the value of the Purchase Credit will not be entitled to receive the difference, and the Purchase Credit will be considered as fully utilized for its full amount.
- 6.2.1.8 It is clarified that the Purchase Credit is personal and non-transferrable. The Respondents will not be held liable or obligated if the Purchase Credit is redeemed by individuals who are not Class Members.
- 6.2.1.9 Once the balance of the Bank of Benefits reaches 0 (zero), the Respondents' obligations under this Settlement Agreement will end, and they will not have any obligations towards the Class Members.
- 6.2.1.10 If, upon the expiration of the Benefit Period, the total redemption amount of the Purchase Credit as stated in section 6.2.1.2 above does not reach the sum of NIS 1.5 million, resulting in the balance of the Bank of Benefits not reaching 0 (zero), then the provisions stated in section 6.2.4 below shall apply.

6.2.2 The Shipping Code

- 6.2.2.1 Within 45 days from the Effective Date, the Respondents will send a notice to the email addresses of the Class Members as recorded in the Respondents' systems, in accordance with the wording specified in section 6.2.3 below.
- 6.2.2.2 The Shipping Code will entitle the Class Members to free shipping, when entered on the checkout page of the Respondents' Website.

- 6.2.2.3 The Shipping Code will be sent to the email addresses of the Class Members as a link. Clicking on the link will activate the Shipping Code for the Class Member. The link will remain active for clicking for a period of 30 days.
- 6.2.2.4 The Shipping Code will be redeemable on the Respondents' Website during the Benefit Period, i.e., for a duration of 6 (six) months.
- 6.2.2.5 It is clarified that even if the balance of the Bank of Benefits reaches 0 (zero), the Shipping Code will remain available throughout the Benefit Period, subject to clicking the link within 30 days of receipt.
- 6.2.2.6 It is clarified that the Shipping Code is personal and non-transferrable. The Respondents will not be held liable or obligated if the Shipping Code is redeemed by individuals who are not Class Members.

6.2.3 The Information Notice

- 6.2.3.1 Within 45 days from the Effective Date, the Respondents will send a notice to the email addresses of the Class Members as recorded in the Respondents' systems (hereinafter: the "**Information Notice**"), with the following wording:

"Pursuant to a judgment certifying a settlement agreement in a class action (Class Action 21305-08-22) against Roadget Business Pte. Ltd. and Fashion Choice Pte. Ltd., SHEIN is providing a Bank of Benefits in which you are entitled to receive, at no charge, a purchase credit valued at NIS 10 and a free shipping code, to be redeemed on SHEIN's Website and/or application in Israel.

To receive the purchase credit, click on the following link: [link to a separate page where the Purchase Credit will appear]

To receive a code for free shipping, click on the following link: [link to a separate page where the Shipping Code will appear]

Please note that clicking on the links will only be available for 30 days.

Please note that the purchase credit is allocated on a "first come, first served" basis, and therefore if, when entering the link, the balance of the Bank of Benefits reaches 0 (zero), you will not be eligible to receive the purchase credit and Roadget Business Pte. Ltd., Fashion Choice Pte. Ltd. and SHEIN will have no obligation

towards you.

Please note that you will be eligible for the free shipping code even if the balance of the Bank of Benefits reaches 0 (zero), as long as you click the link within 30 days and enter the free shipping code on the checkout page for a period of 6 (six) months from the date of receiving this notice".

6.2.4 The Second Round

- 6.2.4.1 If the total amount of the Purchase Credits does not reach NIS 1.5 million by the end of the Benefit Period, i.e., within 6 (six) months from the date of sending the Information Notice, and within 45 days from the end of the first round, the Respondents will initiate a second round for an extended group (hereinafter: the **"Second Round"**).
- 6.2.4.2 In the Second Round, the Respondents will resend the Information Notice to the Class Members and additionally to all customers in Israel who made purchases on the Respondents' Website in the year preceding the date of sending the Information Notice in the First Round, as defined in section 6.2.1.1 above (hereinafter: the **"Extended Group"**).
- 6.2.4.3 The benefit in this round will be provided through a Purchase Credit and a Shipping Code, and the provisions of sections 6.2.1-6.2.3, with the necessary modifications, will also apply to this round. The Second Round will last for 6 (six) months from the date of receiving the Information Notice as detailed in section 6.2.4.2 above.
- 6.2.4.4 If the total amount of the Purchase Credit does not reach NIS 1.5 million during the first and second rounds combined, and the balance of the Bank of Benefits does not reach 0 (zero) even after completing the second round, then the provisions stated in section 6.2.5 below shall apply.

6.2.5 The Third Round

- 6.2.5.1 If the cumulative amount of the Purchase Credits does not reach the sum of NIS 1.5 million in both the First Round and the Second Round combined, even after completing the Second Round, and within 45 days from the end of the Second Round, the Respondents will initiate a third round (hereinafter: the **"Third Round"**).
- 6.2.5.2 In the Third Round, a discount code of NIS 10 will be offered to all consumers in Israel, so when entering to the Respondents' Website,

an advertisement (banner) displaying the discount code will appear (hereinafter: the “**Discount Code**”). Redemption of the Discount Code will be done by entering it on the checkout page. The Discount Code will be available to all Israeli consumers, provided there is a balance in the Bank of Benefits at the time of use (after deducting redemptions made from the Bank of Benefits in the First Round and the Second Round). Once the balance of the Bank of Benefits reaches 0 (zero), the Respondents will remove the advertisement from the website, and Israeli consumers will no longer be entitled to the Discount Code.

6.3 **Future arrangement**

It should be clarified, that beyond the letter of the law, on October 29, 2022, the Respondents removed the option to purchase the shipping guarantee service from their Website in Israel, and even this practical contribution should be attributed to the benefit of the Petition for Certification, without the Respondents admitting any liability or acknowledging any claims made against them in Petition for Certification, including in relation to the inclusion of their customers in the shipping guarantee service.

7. **Notice of execution of the Agreement**

Within 30 days from the date the balance of the Bank of Benefits reaches 0 (zero), an affidavit will be filed by an appropriate entity on behalf of the Respondents declaring that the undertakings as stated in Section 6 above have been completed.

8. **Waiver of actions**

8.1 Subject to the certification and execution of this Settlement Agreement, the parties, including the Petitioner and the Represented Plaintiffs who did not send a Notice of Withdrawal, one vis-à-vis the other and/or on their behalf, definitively and completely waive any claim and/or demand and/or right and/or cause of action vis-à-vis the Respondents and/or anyone on their behalf and/or with respect to any of the claims that were made in the Action and/or in the Petition for Certification, directly and/or indirectly and/or with respect to the facts that are the subject of the Petition for Certification and/or the conduct of the parties’ in the framework of the proceeding and the discussions between them, whether made in writing or orally in the course thereof.

8.2 The Petitioner and all the Represented Plaintiffs who did not submit a Notice of Withdrawal hereby jointly and severally declare that this Settlement Agreement is final and exhausts all their rights and that they undertake not to take part in an additional legal proceeding, including a group or class legal proceeding, with respect to the facts that are the subject of the Action and the Petition for Certification and/or the claims that were made in the course thereof and/or in the pleadings that were filed in the framework thereof.

9. **Res Judicata**

- 9.1 The Certification of this Settlement Agreement, subject to the Agreement not being cancelled by virtue of Section 12 below, will constitute *res judicata* vis-à-vis all the Represented Plaintiffs who did not submit a Notice of Withdrawal, and will apply to all the Causes of Action and remedies that were set forth in the Petition for Certification, directly or indirectly.
- 9.2 *Res judicata* pursuant to this section will not apply to the Represented Plaintiffs who requested from the Honorable Court and the Honorable Court allowed them, to withdraw from the class to whose members the Settlement Agreement applies.

10. **Joint recommendation with respect to paying remuneration to the Petitioner and attorneys' fees to counsel for the Petitioner and the Class Members**

The parties' joint recommendation with respect to remuneration for the Petitioner and attorneys' fees for counsel for the Petitioner and the Class Members is that, in the framework of the Agreement, the Respondents will pay the following amounts:

- 10.1 Without the Respondents waiving their claims regarding the absence of legal service of process, both in terms of the manner of service of process and the documents required to be served by the Petitioner, the Respondents shall compensate the Petitioner for the unique and burdensome expenses incurred in submitting the Petition for Certification and its service of process outside the country, in the amount of NIS 10,000 plus VAT, with this amount added to the benefit provided to the Class Members pursuant to the Agreement (and not as part of the benefit).

It should be noted, that the Petition for Certification is extensive and is supported by references and literature research, and therefore significant resources were required for printing, binding, and producing multiple copies. Additionally, in light of the decision regarding the manner of service of process provided by the Honorable Judge A. Stav, and the unsuccessful outcome of the initial international service of process (and according to the Respondents' claim, a legal service of process has not yet been achieved), the Petitioner was required to initiate a second service of process abroad through an international courier service incurring high costs. Throughout this process, the Petitioner reprinted the Petition for Certification in multiple copies and banded it with its attachments (the Respondents' claims are preserved also in this matter).

- 10.2 The remuneration for the Petitioner will be NIS 80,000 plus VAT, with this amount being in addition to the benefit issued to the Class Members pursuant to the Agreement and not as part thereof. The remuneration for the Petitioner will be paid by the Respondents within 30 business days from the Effective Date.
- 10.3 Attorneys' fees for counsel for the Petitioner and the Class Members will be NIS 365,000, plus VAT, with this amount being in addition to the benefit issued to the Class Members

pursuant to the Agreement and not part thereof. Sixty percent of the attorneys' fees will be paid within 30 business days from the Effective Date, subject to the presentation of appropriate certification from the tax authorities and an invoice as provided by law. The balance will be paid within 30 business days after the Court confirms that the Respondents have fulfilled all their undertakings pursuant to this Settlement Agreement, after the filing of the notice affidavit as stated in Section 7 above.

- 10.4 The payments set forth in Sections 10.1 - 10.3 above will be paid to counsel for the Petitioner and the Class Members against the issuance of a tax invoice and they will be made subject to the provision of bookkeeping confirmation and withholding tax.
- 10.5 It is agreed that all the payments that are made to the Petitioner and to counsel for the Petitioner and the Class Members pursuant to this section are final and include reimbursement of and/or participation in every expense, of any type, that the Petitioner and her counsel sustained, including any tax that applies and/or that may apply to the payment of remuneration to the Petitioner or attorneys' fees to her counsel. It is hereby clarified that tax payments, if any apply to the remuneration or the attorneys' fees, in any amount that is approved by the Court, are the sole responsibility of the Petitioner and her counsel.
- 10.6 The Petitioner and her counsel declare that they did not receive and will not receive from the Respondents any other payment or benefit aside from the remuneration and attorneys' fees that are awarded to them in the Judgment.
- 10.7 In the framework of the recommendation with respect to remuneration for the Petitioner and attorneys' fees for counsel for the Petitioner and the Class Members, the following was considered:
 - 10.7.1 The contribution to the Class and the benefit brought by the Settlement Agreement in the form of compensation for the Class Members and the receipt of the Shipping Code, through the mechanism detailed in section 6 above. It is clarified that the Shipping Code is an independent and separate benefit given to the Class (and to the Extended Group as the Second Round applies), and it is not dependent on the utilization of the Purchase Credit. In other words, the Shipping Code can be utilized in a purchase where the Purchase Credit has been utilized and alternatively it can be utilized in a separate purchase where the Purchase Credit has not been utilized - provided that the Shipping Code is used only once. It is clarified that the Class Members (and the Extended Group to the extent that the Second Round applies) will be able to use the Shipping Code even if their entitlement to the Purchase Credit has ended due to the balance of the Bank of Benefits reaching 0 (zero), subject to the provisions in sections 6.2.2.4 and 6.2.4.3. In doing so, the Respondents increase the benefit given to the Class.
 - 10.7.2 The contribution of the Petition for Certification to the removal of the option to purchase the shipping guarantee service from the Respondents' Website in the aspect of future arrangement, as detailed in Section 6.3 above.

- 10.7.3 The willingness of the Petitioner and her counsel to bring the disputes to an end efficiently and quickly and in a way that saved valuable judicial time in conducting the proceedings in court regarding foreign respondents, including the question of service.
- 10.7.4 The scope of the investment, the effort that they made and the costs that the Petitioner and her counsel expended for the Represented Plaintiffs, including with respect to filing the Action and the Petition for the Certification and formulating this Settlement Agreement. The Petition for Certification was based on profound legal research and references and also the resources invested in the complex service procedure as well as in the pleadings submitted by the Petitioner and her counsel should be taken into account.
- 10.7.5 The risk that the Petitioner took in filing the Action and the Petition for Certification, considering, *inter alia*, the eventuality that the Petitioner would be ordered to pay considerable amounts if the Petition for Certification was dismissed.
- 10.7.6 The significance embedded in initiating a first class action lawsuit against a foreign defendant that provides products and/or services in Israel for the public interest, considering the legal complexities, the risks associated with managing the proceeding, and the required investment of resources by the representing plaintiff and his counsel.
- 10.7.7 The fact that this is the first class action lawsuit against defendants who have not previously been involved in class actions in Israeli courts, as they are foreign companies, the legal complexities, and in particularly the questions regarding the applicability of Israeli law to the defendants (and the Respondents' claims in this matter are fully preserve), the scope of financial and time resources required, and the high risks associated with this case.
- 10.7.8 The above recommendation was made pursuant to judgments that were rendered by the courts in the field of class actions, and in accordance with the criteria established in the judgment by the (then) Honorable Chief Justice Grunis in Civil Appeal 2046/10 **Estate of the Late Moshe Shemesh v. Reichart**, 65(2) 678 (2012).

11. **Condition precedent**

The non-conditional Certification of this Settlement Agreement by the Court in a peremptory judgment will constitute a condition precedent for the validity of the Agreement.

12. **The right to cancel the Agreement**

If the number of Withdrawal Notices exceeds 70, the Respondents will be eligible (but not obligated) to give written notice, within 14 business days from the date on which the foregoing will transpire, of the cancellation of this Settlement Agreement. In such an event, the provisions of Section 14 below will apply.

13. **Lack of a need to appoint an examiner pursuant to Section 19 of the Class Actions Law**

The parties are of the opinion that there is no need to appoint an examiner who will examine the Settlement Agreement and its terms, for the following reasons:

13.1 The Agreement is not based on complex accounting matters that require special expertise. Under these circumstances, the discretion of an examiner is not preferable to the discretion of the Honorable Court. An examination of the reasonableness of the Settlement Agreement and the extent to which it is fair and balanced is a legal matter that entails an examination of the risks and chances of the Petition for Certification.

13.2 There is special importance to ensuring the efficiency of the mechanism for certifying a settlement agreement by a court. Appointing an examiner when this is not necessary may unnecessarily complicate and prolong the hearing on appropriate petitions for certification and settlement agreements.

14. **Deadlines and miscellaneous**

14.1 If the condition precedent, as defined in Section 11 above, is not fulfilled, or if the Agreement is cancelled as stated in Section 12 above, the parties will continue to conduct the proceeding dealing with the Petition for Certification from the point at which it was suspended. It is clarified that in such an event each party will bear the costs with respect to the implementation of the Settlement Agreement until that stage and will not be entitled to indemnification from the opposing party.

14.2 If the legal proceeding with respect to the Action and/or the Petition for Certification continues due to the non-fulfillment of the condition precedent or after the cancellation of this Settlement Agreement, the Agreement will be deemed for all intents and purposes to never have been drafted and it will not be possible to file it and/or to rely on it and/or to use it or any of its content, whether in the framework of a court proceeding or in the framework of a quasi-court proceeding, whether in the framework of an administrative proceeding or any other proceeding, and it will not be possible to use data in and/or representations in and/or drafts of the Agreement if they came to the knowledge of any of the parties and/or their counsel during the negotiations towards the Agreement and/or in connection hereto.

14.3 If the Agreement is cancelled as stated in Section 12 above, the Petitioner and her counsel will not be entitled to receive any payment pursuant to this Agreement. If any such payments were made, the Petitioner and her counsel will return them within 14 business days, plus interest and linkage differentials.

14.4 This Agreement does not contain any admission by either party to any of the arguments of the other party to the Agreement, including the claims made in the Petition for Certification and the Action.

14.5 The Agreement includes all the understandings between the parties and exclusively and definitively consolidates and exhausts all the understandings in connection with that stated

herein. Any representation or negotiation conducted between the parties prior to the signing of this Agreement will not be valid.

- 14.6 Any change or addition to the Agreement will not be valid unless made in writing and signed by all the parties to the Agreement and approved by the Court that granted the force of a judgment to the Agreement. No argument will be heard with respect to an oral change that was made to the Agreement. Furthermore, any representation and/or negotiation conducted between the parties before the Agreement was signed will not be valid.
- 14.7 In the event of a conflict between the provisions of the Agreement and the provisions of any of the appendices hereto, the provisions of the Agreement will control.
- 14.8 In the event of a conflict between the English version of the Agreement and the Hebrew translation, the provisions of the English version will control.
- 14.9 The parties undertake to act in good faith in executing the Agreement and performing all the acts and signing all the documents, approvals, forms and notices, as necessary and if useful for the purpose of the execution of the provisions of the Agreement.
- 14.10 If the Honorable Court does not certify this Settlement Agreement, or part hereof, or certifies it with any change, and any of the parties files an appeal in this regard, then each of the parties agrees and undertakes to notify the appellate court that it waives the deposit of a guarantee and/or deposit with respect to the costs that will be awarded in the appeal and that it does not oppose accepting the appeal with respect to certifying the Settlement Agreement in its present format, and waives awarding of costs in the appeal.
- 14.11 The Honorable Court is requested to grant the force of a judgment to the Agreement without charging the parties with payment of costs and/or any other payment and/or any additional payment, aside from that stated in the Agreement.
- 14.12 The Agreement will be available at the offices of counsel for the Petitioner for anyone who wishes to review it, subject to prior coordination, for 45 days after the First Notice is published, if applicable.
- 14.13 The addresses of the parties in all matters related to the execution and performance of the Agreement are as set forth in the caption of this Agreement. Nonetheless, it is clarified that the Respondents' address, as set forth in the caption of this Agreement, does not constitute an address for service of pleadings on the Respondents and the office of counsel for the Respondents is not authorized or competent to receive pleadings for the Respondents that are not connected with the execution and performance of this Agreement. Any notice that is sent by registered mail to the aforementioned address will be deemed to have been received within 72 hours of it being delivered to the post office in Israel for dispatch. If sent by fax on a business day, it will be deemed to have been received on the following business day, provided that the fact of its dispatch was confirmed by telephone by the recipient or

