GRANT AGREEMENT
Tsofen

GRANT AMOUNT: The Mandell L. and Madeleine H. Berman Foundation (the Foundation) agrees to give Tsofen (the Agency) $40,000 for a training course in Nazareth, $10,000 toward mentoring, and up to $2200 to subsidize up to 3 students from Emek Yezreel students, with the understanding and agreement of the points described below.

GRANT PERIOD: The grant period of one year, effective October 1, 2013.

PURPOSE: The purpose of $40,000 gift, is to provide funding for one Tsofen course that prepares college graduates of Arab origin for employment in high tech companies, to take place in Nazareth in March- April 2014. For this course and others that Tsofen runs in 2013-14, the Foundation encourages a link between Tsofen and Emek Yezreel College's Department of Information Technology. The $10,000 gift leverages Tsofen's Sudent Preparatory Program, which offers training programs in 'soft skills' in collaboration with high tech firms, with Rupin College and possibly Emek Yizrael College, two colleges in the north of Israel, to impact, in total 40-50 students .

STIPULATIONS: This grant is presented on the assumption that the objectives described in the grant proposal can and will be accomplished within the grant period. If delays in accomplishing the objectives are experienced or expected, the Foundation shall be notified immediately.

In addition, the Agency agrees:

1. To ensure that all grant-funded activities are strictly nonpartisan and do not consist of participating in political campaigns or campaigns for public office.

2. To use the grant funds solely for the purposes of the specific project as described above. Any significant changes in the purposes for which grant funds are spent must be approved in writing by the Foundation before implementation.

3. To return any portion of the funds granted which are not used solely for the purpose of the grant stated above.

4. To maintain its books to show these grant funds separately. All expenditures made in furtherance of the purposes of the grant shall be charged off against the grant and shall appear on those books. The Agency shall keep adequate records to substantiate such expenditures. The Agency shall make such books and records available to the Foundation at reasonable times for review and audit, if requested by the Foundation.

5. To acknowledge the Foundation in any public releases, credits or publications that mention the project funded, and to send copies of them to the Foundation. Grantees are asked to clear written statements about the Foundation with the Foundation before publication.

6. To notify the Foundation immediately if the Internal Revenue Service proposes to revoke or alter the grantee's tax exempt status, which under I.R.S. tax classification is currently described under the Tax Code sections 501(c)(3) and/or 509(a)(1),(2), or (3).

PAYMENTS: Financial fulfillment of this grant shall be made in up to three payments: the first, $40,000, has been paid during the month of July 2013; the second, $10,000 is subject to receipt of a signed agreement by the Foundation will be paid in October 2013. Up to $2200 will be paid in response to an interim report (email is fine) confirming the participation of up to 5 students from Emek Yezreel, that includes their bios and new place of employment, if possible.

REPORTS: The interim report should provide the information listed above under "payments" and may be issued at any point during the year. The final report, due June 2014, should provide an overview of Tsofen activities in 2013-14 as well as a specific summary of the specific course funded by the Foundation (including number of graduates, background of participants and employment information) and a review of the Emek Yezreel partnership.

In the event that the Foundation determines, in its sole discretion, that the Agency has breached or failed to carry out any material provision of this Agreement, the Foundation may, in addition to any other legal remedies it may have, including the termination of this Agreement, refuse to make any further grant payments to the Agency, and the Foundation may demand in writing return of all or part of the unexpended grant funds, which the Agency shall immediately repay to the Foundation. The amount of such unexpended grant funds to be repaid to the Foundation shall not include funds needed to meet obligations incurred by the Agency to third parties, in good faith, for the purposes of the specific project described above, prior to the Agency's receipt of the Foundation's written demand for repayment.

Finally, this agreement in its entirety between the parties hereto supersedes prior discussion or agreements that may have existed between the parties and may be modified only in writing and signed by both parties.

Mandell L. Berman, Trustee — Date: 10/8/13

Sarai Brachman Shoup, Director — Date: October 9, 2013

Signature of Responsible Officer — Date: 10/02/2013

Tsofen

SMADAR NEHAB CEO
Print name and title