UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): December 7, 2016

Protalix BioTherapeutics, Inc.
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	001-33357 (Commission File Number)	65-0643773 (IRS Employer Identification No.)

2 Snunit Street Science Park, POB 455 Carmiel, Israel (Address of principal executive offices)	20100 (Zip Code)

Registrant's telephone number, including area code +972-4-988-9488
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into a Material Definitive Agreement

As previously disclosed, on December 1, 2016, Protalix BioTherapeutics, Inc. (the "Company") entered into a note purchase agreement (the "Note Purchase Agreement") with institutional investors (the "Purchasers") relating to the sale by the Company of $22.5 million aggregate principal amount of 7.50% Senior Secured Convertible Notes due 2021 (the "New Money Notes") in a private placement (the "Private Placement") pursuant to Section 4(a)(2) under the Securities Act of 1933, as amended (the "Securities Act"). The description of the Note Purchase Agreement contained in this Current Report on Form 8-K is qualified in its entirety by reference to the complete text of the form of the Note Purchase Agreement, a copy of which is filed as Exhibit 10.1 and incorporated herein by reference.

Concurrently with the consummation of the Private Placement, the Company entered into a privately negotiated exchange agreement (the "Exchange Agreement") with certain existing noteholders identified therein (the "Existing Holders") to exchange $54.052 million aggregate principal amount of the Company's outstanding 4.50% Convertible Senior Notes due 2018 (the "Existing Notes") for (i) $40.186 million aggregate principal amount of 7.50% Senior Secured Convertible Notes due 2021 (the "Exchange Notes" and, together with the New Money Notes, the "Notes"); (ii) 23,846,735 shares of the Company's common stock, par value $0.001 per share (the "Common Stock") calculated based on the closing price of $0.5595 per share on December 1, 2016; and (iii) cash, equal to the accrued and unpaid interest on the existing notes and any fractional shares (the "Exchange"). The issuance of the Notes and shares of the Company's Common Stock in the exchange and the Private Placement were made in reliance on the exemption from the registration requirements of the Securities Act pursuant to Section 4(a)(2) thereof. The Exchange Agreement contains customary representations, warranties and covenants by us together with customary closing conditions. The description of the Exchange Agreement contained in this Current Report on Form 8-K is qualified in its entirety by reference to the complete text of the Exchange Agreement, a copy of which is filed as Exhibit 10.2 and incorporated herein by reference. The exchange was completed on December 7, 2016, in accordance with the terms of the Exchange Agreement.

The Notes were issued pursuant to an Indenture, dated December 7, 2016 (the "Indenture"), between the Company, the guarantors party thereto, The Bank of New York Mellon Trust Company, N.A., as trustee and Wilmington Savings Fund Society, FSB, as collateral agent. Interest on the Notes will be paid semi-annually at a rate of 7.50% per annum, and, in certain circumstances, the Company may elect to pay interest in an amount up to 1.25% per annum in the form of shares of Common Stock. The Notes will mature on November 15, 2021, unless earlier purchased, converted, exchanged or redeemed and will be guaranteed by the Company's subsidiaries. The foregoing descriptions of the Indenture, the New Money Note and Exchange Note do not purport to be complete and are qualified in their entirety by reference to the full text of such documents, filed hereto as Exhibits 4.1, Exhibit 4.2 and Exhibit 4.3, respectively, and incorporated herein by reference.

The Notes are secured by perfected liens on all of the Company's material assets, forms of which are filed hereto as Exhibits 10.3 and 10.4 and incorporated herein by reference.

Neither the Notes nor the Common Stock that may be issued upon conversion thereof will be registered under the Securities Act.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant

The information set forth under Item 1.01 of this Current Report is incorporated herein by reference.

Item 3.02. Unregistered Sale of Equity Securities

The information set forth under Item 1.01 of this Current Report is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

4.1 Indenture, dated as of December 7, 2016, between Protalix BioTherapeutics, Inc., the guarantors party thereto, The Bank of New York Mellon Trust Company, N.A., as trustee and Wilmington Savings Fund Society, FSB, as collateral agent

4.2 Form of New Money Note

4.3 Form of Exchange Note

10.1 Form of Note Purchase Agreement, dated of December 1, 2016 among Protalix BioTherapeutics, Inc. and the Purchasers

10.2 Form of Exchange Agreement, dated of December 1, 2016 among Protalix BioTherapeutics, Inc. and the Existing Holders

10.3 Form of U.S. Security Agreement, dated of December 7, 2016 among Protalix BioTherapeutics, Inc., the guarantors party thereto and Wilmington Savings Fund Society, FSB, as collateral agent

10.4 Form of Security Agreement/Debenture, dated of December 7, 2016 between Protalix BioTherapeutics, Inc. and Altshuler Shaham Trusts Ltd., as security trustee

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PROTALIX BIOTHERAPEUTICS, INC.

Date: December 7, 2016

By: /s/ Moshe Manor
Name: Moshe Manor
Title: President and Chief Executive Officer

Exhibit 4.1

PROTALIX BIOTHERAPEUTICS, INC.

AS ISSUER

AND EACH OF THE GUARANTORS PARTY HERETO

7.50% SENIOR SECURED CONVERTIBLE NOTES DUE 2021

INDENTURE

DATED AS OF DECEMBER 7, 2016

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

AS TRUSTEE

WILMINGTON SAVINGS FUND SOCIETY, FSB

AS COLLATERAL AGENT

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INDENTURE, dated as of December 7, 2016, among Protalix Biotherapeutics, Inc., a Delaware corporation ("**Company**"), the Guarantors (as defined below) party hereto and The Bank of New York Mellon Trust Company, N.A., as trustee (the "**Trustee**"), registrar, paying agent and conversion agent, and Wilmington Savings Fund Society, FSB ("**WSFS**"), as the collateral agent (the "**Collateral Agent**").

WHEREAS, the Company has duly authorized the creation of an issue of sixty-two million six hundred eighty-six thousand dollars ($62,686,000) aggregate principal amount of the Company's 7.50% Senior Secured Convertible Notes due 2021; and

WHEREAS, the Company and each of the Guarantors has duly authorized the execution and delivery of this Indenture.

NOW, THEREFORE, each party agrees as follows for the benefit of each of the other parties hereto and for the equal and ratable benefit of the Holders (as defined below) of the Company's 7.50% Senior Secured Convertible Notes due 2021:

Article 1
DEFINITIONS AND INCORPORATION BY REFERENCE

Section 1.01. *Definitions.*

"**Acquired Debt**" means, with respect to any specified Person:

(1) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Subsidiary of such specified Person, whether or not such Indebtedness is incurred in connection with, or in contemplation of, such other Person merging with or into, or becoming, a Subsidiary of, such specified Person; and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

"**Affiliate**" of any specified Person means any other Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such specified Person. The term "control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise. For the avoidance of doubt, the following entities shall not be deemed to be Affiliates of the Company: (i) Pfizer Inc. by virtue solely of its exclusive license and supply agreement with the Company as in existence on the Issue Date; (ii) any entity by virtue solely of having no more than two overlapping directors with the board of directors of the Company; and (iii) any entity by virtue solely of entering into a license, collaboration agreement, strategic alliance or similar arrangement with the Company providing for the licensing of Intellectual Property or the development or commercialization of Intellectual Property.

“**Aggregate Share Cap**” means: (1) at all times when the NYSE MKT Stockholder Approval has not been obtained, 7,491,100 shares of Common Stock, which, together with the number of shares issued pursuant to the Exchange Agreement, less the maximum number of shares of Common Stock issuable upon coversion of the Existing Convertible Notes to be exchanged pursuant to the Exchange Agreement, represents approximately 19.9% of the outstanding Common Stock as of immediately prior to the Issue Date; and (2) at all times from and after the NYSE MKT Stockholder Approval has been obtained, 127,230,613 shares of Common Stock; *provided*, *however*, that the Aggregate Share Cap will be subject to proportionate adjustment for stock dividends, stock splits or stock combinations with respect to the Common Stock.

“**Applicable Procedures**” means, with respect to any transfer or transaction involving a Global Note or any beneficial interest therein, the rules and procedures of the Depositary for such Note, in each case to the extent applicable to such transfer or transaction and as in effect from time to time.

“**Asset Sale**” means:

(1) the sale, lease, conveyance or other disposition of any assets or rights (whether in a single transaction or a series of related transactions), *provided* that the sale, lease, conveyance or other disposition of all or substantially all of the assets of the Company and its Restricted Subsidiaries taken as a whole will be governed by Article 5; and

(2) the issuance of Equity Interests by any of the Company’s Restricted Subsidiaries or the sale of Equity Interests in any of the Company’s Subsidiaries (other than directors’ qualifying Equity Interests or Equity Interests required by applicable law to be held by a Person other than the Company or one of its Restricted Subsidiaries).

Notwithstanding anything to the contrary in the preceding paragraph, none of the following items will be deemed to be an Asset Sale:

(1) any single transaction or series of related transactions that involves assets having a Fair Market Value of less than $0.5 million;

(2) a transfer of assets (including, without limitation, Equity Interests) constituting Collateral between or among the Company and the Guarantors;

(3) a transfer of assets that are not Collateral between or among the Company and its Restricted Subsidiaries;

(4) an issuance of Equity Interests by a Restricted Subsidiary of the Company to the Company or to a Restricted Subsidiary of the Company;

(5) any sale or other disposition of damaged, worn-out or obsolete assets or assets otherwise unsuitable or no longer required for use in the ordinary course of the business of the Company and its Restricted Subsidiaries (including the abandonment or other disposition of property that is, in the reasonable judgment of the Company, no longer profitable, economically practicable to maintain or useful in the conduct of the business of the Company and its Restricted Subsidiaries, taken as whole);

(6) a Restricted Payment that does not violate Section 4.11, or a Permitted Investment;

(7) the sale, lease, sublease, license, sublicense, consignment, conveyance or other disposition of products, services, inventory and other assets in the ordinary course of business, including leases with respect to facilities that are temporarily not in use or pending their disposition (for the avoidance of doubt, licenses, sublicenses and other dispositions of rights in patents, trademarks, copyrights, know-how or other intellectual property shall be deemed not be in the ordinary course);

(8) a disposition of leasehold improvements or leased assets in connection with the termination of any operating lease;

(9) (x) dispositions of receivables in connection with the compromise, settlement or collection thereof in the ordinary course of business or in bankruptcy or similar proceedings and exclusive of factoring or similar arrangements; or (y) the sale or other disposition of Hedging Obligations or other financial instruments in the ordinary course of business;

(10) any foreclosure or any similar action with respect to the property or other assets of the Company or any Restricted Subsidiary;

(11) the sublease or assignment to third parties of leased facilities in the ordinary course of business;

(12) a Casualty or Condemnation Event whose proceeds are subject to application pursuant to Section 4.14;

(13) the creation of or realization on a Lien to the extent that the granting of such Lien was not in violation of Section 4.16;

(14) any surrender or waiver of contract rights or settlement, release, recovery on or surrender of contract, tort or other claims;

(15) the sale or other disposition of cash or Cash Equivalents;

(16) (i) any non-exclusive, incidental license, collaboration agreement, strategic alliance or similar arrangement providing for the licensing of Intellectual Property or the development or commercialization of Intellectual Property (other than Intellectual Property Licenses, Co-Promotion Arrangements and, for the avoidance of doubt, arrangements that are exclusive with respect to a geographic territory or indication) that, at the time such non-exclusive or incidental license, collaboration agreement, strategic alliance or similar arrangement is entered into, in the judgment of the Company, does not materially and adversely affect the business or condition (financial or otherwise) of the Company and any of its Restricted Subsidiaries, taken as a whole, and (ii) any Intellectual Property Licenses or Co-Promotion Arrangements, so long as any aggregate cash proceeds from such Intellectual Property Licenses and Co-Promotion Arrangements are applied pursuant to Section 4.14; and

(17) to the extent allowable under Section 1031 of the Internal Revenue Code of 1986, as amended, or any successor provision, or any similar provision of any foreign country, any exchange of like property (excluding any boot thereon and excluding any Intellectual Property Sale, Intellectual Property License or Co-Promotion Agreement) for use in a Permitted Business, *provided* that (i) the aggregate Fair Market Value of the property or assets (including cash and Cash Equivalents) received by the Company and its Restricted Subsidiaries in such exchange is at least equal to the aggregate Fair Market Value of the property or assets disposed of by the Company or such Restricted Subsidiaries in such exchange and (ii) the net cash proceeds received by the Company and its Restricted Subsidiaries in such exchange are treated as Net Proceeds of an Asset Sale pursuant to Section 4.14.

Notwithstanding anything to the contrary in the preceding paragraph, the Company may voluntarily treat any transaction otherwise exempt from the definition of "Asset Sale" pursuant to clauses (1) through (17) above as an "Asset Sale" by designating such transaction as an Asset Sale for purposes of this Indenture in an Officers' Certificate delivered to the Trustee.

"**Attributable Debt**" in respect of a sale and leaseback transaction means, at the time of determination, the present value of the obligation of the lessee for net rental payments during the remaining term of the lease included in such sale and leaseback transaction, including any period for which such lease has been extended or may, at the option of the lessor, be extended. Such present value shall be calculated using a discount rate equal to the rate of interest implicit in such transaction, determined in accordance with U.S. GAAP; *provided*, *however*, that if such sale and leaseback transaction results in a Capital Lease Obligation, the amount of Attributable Debt represented thereby will be the amount of liability in respect thereof determined in accordance with the definition of "Capital Lease Obligation."

"**Authorized Share Amendment Effective Date**" means the date, if at all, that (a) the Company has amended its Amended and Restated Articles of Incorporation to increase the number of authorized shares of Common Stock to an amount that is sufficient, after taking account of all shares of Common Stock reserved or necessary to satisfy the Company's obligations (other than pursuant to this Indenture and the Notes) to issue shares of Common Stock, to settle the conversion of all then-outstanding Notes (assuming Physical Settlement) at the Conversion Rate then applicable, after giving effect to the maximum number of Additional Shares that may then be added to the Conversion Rate; and (b) the Company has reserved such amount of shares of Common Stock for future issuance pursuant to this Indenture and the Notes.

"**Bankruptcy Law**" means Title 11, United States Code, or any similar U.S. federal, state or non-U.S. law for the relief of debtors.

“**Beneficial Owner**” has the meaning assigned to such term in Rules 13d-3 and 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular person or group, such person or group will be deemed to have beneficial ownership of all securities that such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time. The terms “**Beneficially Own**” and “**Beneficially Owned**” have a corresponding meaning.

“**Board of Directors**” means the board of directors of the Company or a committee of such board duly authorized to act for it.

“**Board Resolution**” means a copy of one or more resolutions certified by the Secretary or an Assistant Secretary of the Company to have been duly adopted by the Board of Directors and to be in full force and effect on the date of such certification, and delivered to the Trustee.

“**Business Day**” means any day other than a Saturday, a Sunday or a day on which the Federal Reserve Bank of New York, Wilmington, Delaware or the place of payment is authorized or required by law or executive order to close or be closed.

“**Capital Lease Obligation**” means, at the time any determination is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be capitalized on a balance sheet prepared in accordance with U.S. GAAP, and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease on or prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

“**Capital Stock**” means, for any entity, any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated) stock issued by that entity.

“**Capped Combination Settlement**” means Combination Settlement with a Cash Amount for each VWAP Trading Day of the relevant Observation Period equal to the Capped Combination Settlement Cash Amount on such VWAP Trading Day.

“**Capped Combination Settlement Cash Amount**” means, on any VWAP Trading Day during the relevant Observation Period, the greater of (x) $1,000 and (y) an amount equal to:

$$20 \times \left(DCV - DC \times VWAP \right)$$

where,

DCV	=	the Daily Conversion Value on such VWAP Trading Day;
DC	=	the Daily Share Cap on such VWAP Trading Day; and
VWAP	=	the Daily VWAP on such VWAP Trading Day.

“**Capped Combination Settlement Release Date**” means the first date, if at all, when the Authorized Share Amendment Effective Date has occurred and the NYSE MKT Stockholder Approval has been obtained.

“**Cash Equivalents**” means:

(1) any evidence of Indebtedness issued or directly and fully guaranteed or insured by the United States or any agency or instrumentality thereof with a final maturity not exceeding five years from the date of acquisition;

(2) deposits, certificates of deposit or acceptances of any financial institution that is a member of the Federal Reserve System and whose unsecured long term debt is rated at least “A” by Standard & Poor’s Ratings, a division of McGraw Hill Financial, Inc. (“**S&P**”), or at least “A2” by Moody’s Investors Service, Inc. (“**Moody’s**”) or any respective successor agency;

(3) commercial paper with a maturity of 365 days or less issued by a corporation (other than an Affiliate of the Company) organized and existing under the laws of the United States of America, any state thereof or the District of Columbia and rated at least “A-1” by S&P and at least “P-1” by Moody’s or any respective successor agency;

(4) repurchase agreements and reverse repurchase agreements relating to marketable direct obligations issued or unconditionally guaranteed by the United States or issued by any agency thereof and backed by the full faith and credit of the United States maturing within 365 days from the date of acquisition;

(5) readily marketable direct obligations issued by any state of the United States or any political subdivision of any such state or any public instrumentality thereof maturing within 365 days from the date of acquisition and, at the time of acquisition, having one of the two highest ratings obtainable from either S&P or Moody’s or any respective successor agency;

(6) demand deposits, savings deposits, time deposits and certificates of deposit of any commercial bank having, or which is the principal banking subsidiary of a bank holding company organized under the laws of the United States, any state thereof or the District of Columbia having, capital and surplus aggregating in excess of $500,000,000 and a rating of “A” (or such other similar equivalent rating) or higher by at least one “nationally recognized statistical rating organization” (as defined in Section 3(a)(62) of the Exchange Act) with maturities of not more than 365 days from the date of acquisition;

(7) money market funds which invest substantially all of their assets in securities described in the preceding clauses (1) through (6); and

(8) in the case of a Foreign Subsidiary, instruments equivalent to those referred to in clauses (1) through (7) above denominated in a foreign currency, which are (i) substantially equivalent in tenor, (ii) issued by, or entered into with, foreign persons with credit quality generally accepted by businesses in the jurisdictions in which such Foreign Subsidiary operates and (iii) customarily used by businesses for short-term cash management purposes in any jurisdiction outside of the United States to the extent reasonably required in connection with any business conducted by such Foreign Subsidiary.

"**Cash Settlement**" means (a) with respect to the Conversion Settlement Method applicable to any conversion of Notes, that the Company shall have elected, in accordance with Section 10.02(a), to settle its Conversion Obligation solely in cash in accordance with Section 10.02(a)(iii)(A) and (b) with respect to the Make-Whole Settlement Method applicable to the Make-Whole Premium due upon any conversion of Notes, that the Company shall have elected (or been deemed to have elected), in accordance with Section 10.03(a), to settle its Make-Whole Obligation solely in cash in accordance with Section 10.03(a)(iii)(A).

"**Casualty or Condemnation Event**" means any taking under power of eminent domain or similar proceeding and any insured loss, in each case, relating to property or other assets that constituted Collateral owned by the Company or a Guarantor.

"**Change in Control**" means an event that will be deemed to have occurred at the time, after the first date of original issuance for the Notes, any of the following occurs:

(a) any "person" or "group" within the meaning of Section 13(d) of the Exchange Act is or becomes the direct or indirect "beneficial owner," as defined in Rule 13d-3 under the Exchange Act, of the Company's Common Equity representing 50% or more of the total voting power of the Company's Common Equity;

(b) the consummation of (x) any recapitalization, reclassification or change of the Common Stock (other than changes resulting from a subdivision or combination) as a result of which the Common Stock would be converted into, or exchanged for, stock, other securities, other property or assets; (y) any share exchange, consolidation or merger of the Company pursuant to which the Common Stock will be converted into cash, securities or other property; or (z) any sale, lease or other transfer in one transaction or a series of transactions of all or substantially all of the consolidated assets of the Company and the Company's Subsidiaries, taken as a whole, to any Person other than one of the Company's Subsidiaries; *provided*, *however*, that a transaction described in clause (y) above pursuant to which the Persons that "beneficially owned" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, the Company's Common Equity immediately prior to such transaction "beneficially own" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, the Common Equity representing at least a majority of the total voting power of all outstanding classes of the Common Equity of the surviving or transferee person (or its parent) and such holders' respective proportional voting power immediately after such transaction vis-à-vis each other with respect to the securities they receive in such transaction will be in substantially the same respective proportions as their respective voting power vis-à-vis each other immediately prior to such transaction will not constitute a "Change in Control"; or

(c) the holders of the Company's Common Equity approve any plan or proposal for the liquidation or dissolution of the Company (whether or not otherwise in compliance with this Indenture);

provided, *however*, that, notwithstanding the foregoing, a "Change in Control" will not be deemed to have occurred if at least 90% of the consideration paid for the Common Stock in a transaction or transactions described under clause (b) of this definition of "Change in Control" above (excluding cash payments for any fractional shares and cash payments made pursuant to dissenters' appraisal rights) consists of Publicly Traded Securities, or securities or that will be Publicly Traded Securities immediately following such transaction, and as a result thereof, such consideration becomes the Reference Property for the Notes. If any transaction in which the Common Stock is replaced by the securities of another entity occurs, following completion of any related Make-Whole Adjustment Period (or, in the case of a transaction that would have been a Change in Control but for the proviso immediately following clause (c) of the definition thereof, following the effective date of such transaction) references to the Company in this definition shall instead be references to such other entity.

"**Close of Business**" means 5:00 p.m., New York City time.

"**Co-Promotion Arrangement**" means any agreement or arrangement related primarily to the marketing, promoting, distributing, detailing, or commercial selling of, or customer service with respect to, any product (including the Products).

"**Collateral**" means all property subject or purported to be subject, from time to time, to a Lien under any of the Security Documents.

"**Collateral Agent**" means Wilmington Savings Fund, FSB, acting in the capacity of collateral agent, until a successor replaces it pursuant to the applicable provisions of this Indenture and, thereafter, means such successor.

“**Combination Settlement**” means (a) with respect to the Conversion Settlement Method applicable to any conversion of Notes, that the Company shall have elected (or been deemed to have elected), in accordance with Section 10.02(a), to settle its Conversion Obligation in a combination of cash and shares of Common Stock (and cash in lieu of any fractional shares) in accordance with Section 10.02(a)(iii)(C) and (b) with respect to the Make-Whole Settlement Method applicable to the Make-Whole Premium due upon any conversion of Notes, that the Company shall have elected, in accordance with Section 10.03(a), to settle its Make-Whole Obligation in a combination of cash and shares of Common Stock (and cash in lieu of any fractional shares) in accordance with Section 10.03(a)(iii)(C).

“**Common Equity**” of any Person means Capital Stock of such Person that is generally entitled (a) to vote in the election of directors of such Person or (b) if such Person is not a corporation, to vote or otherwise participate in the selection of the governing body, partners, managers or others that will control the management or policies of such Person.

“**Common Stock**” means the common stock of the Company, par value $0.001 per share, at the date of this Indenture, subject to Section 10.08.

“**Company**” means the party named as such in the first paragraph of this Indenture until a successor or assignee replaces it pursuant to the applicable provisions hereof and, thereafter, means the successor or assignee.

“**Company Order**” means a written request or order signed in the name of the Company by any Officer.

“**Consolidated Cash Balances**” means, at any time, (a) the aggregate amount of cash and Cash Equivalents, in each case, held or owned by (either directly or indirectly), credited to the account of, or that would otherwise be required to be reflected as an asset on the balance sheet of, the Company and its Restricted Subsidiaries less (b) the sum of (i) any restricted cash or Cash Equivalents to pay bona fide licensing obligations, severance taxes, payroll, payroll taxes, other taxes, employee wage and benefit payments and trust and fiduciary obligations or other obligations of the Company or any Restricted Subsidiary to third parties and for which either (x) the Company or such Restricted Subsidiary has issued checks or has initiated wires or ACH transfers (but which amounts have not, as of such time, been subtracted from the balance in the relevant account of the Company or such Restricted Subsidiary) or (y) reasonably anticipates in good faith that it will issue checks or initiate wires or ACH transfers within ten (10) days thereafter, (ii) other amounts permitted to be paid by the Company or any Restricted Subsidiary in accordance with this Indenture and the other Security Documents for which the Company or such Restricted Subsidiary has issued checks or has initiated wires or ACH transfers (but which amounts have not, as of such time, been subtracted from the balance in the relevant account of the Company or such Restricted Subsidiary), (iii) while and to the extent refundable, any cash or Cash Equivalents held by the Company or any Restricted Subsidiary constituting purchase price deposits pursuant to a binding and enforceable purchase and sale agreement with a third party containing customary provisions regarding the payment and refunding of such deposits, and (iv) any cash or Cash Equivalents held by the Company or any Restricted Subsidiary in good faith to fund any customary deposit in the nature of earnest money with respect to, or the purchase price of, any future acquisition permitted under this Indenture.

"**Consolidated Cash Flow**" means, with respect to any specified Person for any period, the Consolidated Net Income of such Person for such period plus, without duplication:

(1) provision for taxes based on income or profits of such Person and its Restricted Subsidiaries and all franchise taxes for such period, to the extent that such amounts were deducted in computing such Consolidated Net Income; *plus*

(2) the Fixed Charges of such Person and its Restricted Subsidiaries for such period, to the extent that such Fixed Charges were deducted in computing such Consolidated Net Income; *plus*

(3) depreciation, amortization (including amortization of intangibles, deferred financing fees, debt incurrence costs, commissions, fees and expenses, but excluding amortization of prepaid cash expenses that were paid in a prior period), depletion and other non-cash expenses or charges (including any write-offs of debt issuance or deferred financing costs or fees and impairment charges and the impact on depreciation and amortization of purchase accounting, but excluding any such non-cash expense to the extent that it represents an accrual of or reserve for cash expenses in any future period or amortization of a prepaid cash expense that was paid in a prior period) of such Person and its Restricted Subsidiaries for such period to the extent that such depreciation, amortization and other non-cash expenses or charges were deducted in computing such Consolidated Net Income; *plus*

(4) the amount of net loss resulting from the payment of any premiums, fees or similar amounts that are required to be paid under the terms of the instrument(s) governing any Indebtedness upon the repayment, prepayment or other extinguishment of such Indebtedness in accordance with the terms of such Indebtedness; *plus*

(5) (i) unusual or nonrecurring charges, expenses or other items and (ii) charges, expenses or other items in connection with any restructuring, acquisition (including integration costs), disposition, equity issuance or debt incurrence, in all cases whether or not consummated and to the extent deducted in computing such Consolidated Net Income (for the avoidance of doubt, for purposes of this clause (5), charges, expenses or other items shall be deemed to be "unusual" or "non-recurring" if similar charges, expenses or other items have not been incurred in the current fiscal year or the preceding two fiscal and are not reasonably likely to recur within any of the next two fiscal years); *plus*

(6) any impairment charges or asset write-offs, in each case pursuant to U.S. GAAP, and the amortization of intangibles arising pursuant to U.S. GAAP; *minus*

(7) non-cash items increasing such Consolidated Net Income for such period (other than the accrual of revenue in the ordinary course of business or any other such non-cash item to the extent that it represents a reduction in an accrual of or reserve for cash charges or expenses in any future period), in each case, on a consolidated basis and determined in accordance with U.S. GAAP.

“**Consolidated Net Income**” means, with respect to any specified Person for any period, the aggregate of the net income (loss) from continuing operations of such Person and its Restricted Subsidiaries for such period, on a consolidated basis determined in accordance with U.S. GAAP and without any reduction in respect of preferred stock dividends; *provided* that:

(1) all extraordinary gains and losses and all gains and losses realized in connection with any asset disposition or the disposition of securities or the early extinguishment of Indebtedness or Hedging Obligations, together with any related provision for taxes on any such gain, will be excluded;

(2) the net income of any Person that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting will be included only to the extent of the amount of dividends or similar distributions paid in cash to the specified Person or a Restricted Subsidiary of the Person (and the net loss of any such Person shall be included only to the extent that such loss is funded in cash by the specified Person or a Restricted Subsidiary thereof);

(3) solely for the purpose of determining the amount available for Restricted Payments under Section 4.11(a), the net income for such period of any Restricted Subsidiary (other than any Guarantor) shall be excluded to the extent that the declaration or payment of dividends or similar distributions by such Restricted Subsidiary of its net income is not at the date of determination permitted without any prior governmental approval (which has not been obtained) or, directly or indirectly, by the operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its stockholders, unless such restrictions with respect to the payment of dividends or similar distributions have been legally waived; *provided* that the Consolidated Net Income of such Person shall be increased by the amount of dividends or other distributions paid in cash (or to the extent converted to cash) by any such Restricted Subsidiary to such Person, to the extent not already included therein;

(4) the cumulative effect of a change in accounting principles, together with any related provision for taxes, will be excluded;

(5) notwithstanding anything to the contrary in clause (2) above, the net income of any Unrestricted Subsidiary will be excluded except for the amount of dividends or other distributions paid in cash by the Unrestricted Subsidiary to such Person or one of its Restricted Subsidiaries;

(6) any non-cash costs or expenses resulting from stock option plans, employee benefit plans, compensation charges or post-employment benefit plans, or grants or awards of stock, stock appreciation or similar rights, stock options, restricted stock, preferred stock or other rights will be excluded;

(7) any gain or loss for such period from currency translation gains or losses or net gains or losses related to currency re-measurements of Indebtedness will be excluded;

(8) any unrealized net after-tax income (loss) from Hedging Obligations or cash management obligations and the application of Accounting Standards Codification Topic 815 "Derivatives and Hedging" or from other derivative instruments in the ordinary course will be excluded;

(9) any nonrecurring charges relating to any premium or penalty paid, write off of deferred finance costs or other charges in connection with redeeming or retiring any Indebtedness prior to its Stated Maturity will be excluded; and

(10) earn outs, contingent consideration or deferred purchase obligations in connection with the acquisition of a Permitted Business or assets used in a Permitted Business will be excluded.

"**Conversion Make-Whole Share Price**" means, with respect to any conversion, the greater of (a) 150% of the Conversion Price in effect on the applicable Conversion Date, and (b) the average of the Daily VWAPs during the Observation Period for the relevant Conversion Date.

"**Conversion Price**" means as of any time, $1,000, *divided by* the Conversion Rate as of such time.

"**Conversion Settlement Date**" means, for any conversion of Notes and the Conversion Settlement Method applicable to such conversion, the date on which the Company is required to settle its Conversion Obligation pursuant to Section 10.02(a)(iii).

"**Corporate Trust Office**" means the corporate trust office of the Trustee at which the trust created by this Indenture will be administered, which office, as of the Issue Date, is located at The Bank of New York Mellon Trust Company, N.A., 10161 Centurion Parkway North, 2nd Floor, Jacksonville, Florida 32256, Attention: Corporate Trust, and may later be located at such other address as the Trustee, upon delivering notice to the Holders, the Paying Agent, the Conversion Agent, the Registrar, the Collateral Agent and the Company, designates.

"**Custodian**" means any receiver, trustee, assignee, liquidator, custodian or similar official under any Bankruptcy Law.

"**Daily Cash Amount**" means 5.0% of the applicable Cash Amount.

"**Daily Conversion Value**" means, for each of the 20 consecutive VWAP Trading Days during an Observation Period, 5.0% of the product of (a) the Conversion Rate on such VWAP Trading Day and (b) the Daily VWAP for such VWAP Trading Day.

“**Daily Settlement Amount**” means, for any VWAP Trading Day during the relevant Observation Period, (a) an amount of cash equal to the lesser of (i) the Daily Cash Amount and (ii) the Daily Conversion Value for such VWAP Trading Day; and (b) if the Daily Conversion Value for such VWAP Trading Day exceeds the Daily Cash Amount, a number of shares of Common Stock equal to (i) the difference between such Daily Conversion Value and the Daily Cash Amount, divided by (ii) the Daily VWAP for such VWAP Trading Day.

“**Daily Share Cap**” means an amount, rounded down to the nearest 1/10,000th of a share, equal to:

$$\frac{AC}{20\times\frac{N}{\$1{,}000}}$$

where,

AC = the Aggregate Share Cap; and

N = the aggregate principal amount of Notes issued on the Issue Date.

“**Daily VWAP**” means, for any VWAP Trading Day, the per share volume-weighted average price of the Common Stock as displayed under the heading “Bloomberg VWAP” on Bloomberg page “PLX <equity> AQR” (or any successor thereto) in respect of the period from the scheduled open of trading on the principal trading market for the Common Stock to the scheduled close of trading of the primary trading session on such VWAP Trading Day (or if such volume-weighted average price is not available, the market value of one share of Common Stock on such VWAP Trading Day, as the Company reasonably determines in good faith using a volume-weighted average method). The Daily VWAP will be determined without regard to after-hours trading or any other trading outside of the regular trading session trading hours.

“**Default**” means any event which is, or after notice or passage of time or both would be, an Event of Default.

“**Definitive Notes**” means Notes that are in registered definitive non-global form.

“**Depositary**” means DTC; *provided*, that the Company may at any time, upon delivering notice to the Holders, the Company, the Trustee, the Registrar, the Paying Agent and the Conversion Agent, appoint a successor Depositary.

“**Disqualified Stock**” means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case, at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder of the Capital Stock, in whole or in part, on or prior to the earlier of (x) the date that is 91 days after the date on which the Notes mature and (y) the date that is 91 days after the date no Notes remain outstanding; *provided*, that only the portion of the Capital Stock which so matures or is mandatorily redeemable, is so convertible or exchangeable or is so redeemable at the option of the holder thereof prior to such date will be deemed to be Disqualified Stock; *provided*, *further*, that if such Capital Stock is issued to any employee or to any plan for the benefit of employees of the Company or its Restricted Subsidiaries or by any such plan to such employees, such Capital Stock will not constitute Disqualified Stock solely because it may be required to be repurchased by the Company in order to satisfy applicable statutory or regulatory obligations or as a result of such employee’s termination, death or disability. Notwithstanding anything to the contrary in the preceding sentence, any Capital Stock that would constitute Disqualified Stock solely because the holders of the Capital Stock have the right to require the Company to repurchase or redeem such Capital Stock upon the occurrence of a Fundamental Change or an Asset Sale will not constitute Disqualified Stock if the terms of such Capital Stock provide that the Company may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with Section 4.11. The amount of Disqualified Stock deemed to be outstanding at any time for purposes of this Indenture will be the maximum amount that the Company or any and its Restricted Subsidiaries may become obligated to pay upon the maturity of, or pursuant to any mandatory repurchase or redemption provisions of, such Disqualified Stock exclusive of accrued dividends (other than the accretion, accumulation or payment-in-kind of dividends).

“**DTC**” means The Depository Trust Company.

“**Effective Date**” shall have the meaning specified in Section 10.04(c), except that, as used in Section 10.05 and Section 10.06, “**Effective Date**” means the first date on which shares of the Common Stock trade on the applicable exchange or in the applicable market, regular way, reflecting the relevant share split or share combination, as applicable.

“**Effectively Discharged**” (or “**Effective Discharge**”) means, with respect to the Existing Convertible Notes, that (i) the Company shall have irrevocably deposited with the Existing Convertible Notes Trustee, for the benefit of the holders of the Existing Convertible Notes, cash in an amount equal to the sum of all remaining interest and principal payments due on the Existing Convertible Notes (together with all consideration due in respect of each conversion of Existing Convertible Notes that has not been fully settled as of the time of such deposit) and shall have irrevocably directed the Existing Convertible Notes Trustee to make such payments to the holders of the Existing Convertible Notes as the same becomes due in accordance with the Existing Convertible Notes Indenture (*provided*, *however*, that such deposit may be subject to arrangements whereby any cash amounts not necessary to pay amounts due on the Existing Convertible Notes as they become due may be returned to the Company after none of the Existing Convertible Notes remain outstanding); and (ii) the Company shall have paid all other amounts due under the Existing Convertible Notes Indenture (*provided*, *however*, that the existence of an obligation to compensate and indemnify the Existing Convertible Notes Trustee in the ordinary course pursuant to the Existing Convertible Notes Indenture will not cause the Existing Convertible Notes to be deemed not to be Effectively Discharged).

“**Equity Interests**” means Capital Stock; *provided*, *however*, that “Equity Interests” does not include any debt security that is convertible into, or exchangeable for, (a) Capital Stock or (b) Capital Stock and/or cash based on the value of such Capital Stock.

“**Ex-Dividend Date**” means the first date on which shares of the Common Stock trade on the applicable exchange or in the applicable market, regular way, without the right to receive the issuance, dividend or distribution in question, from the Company or, if applicable, from the seller of Common Stock on such exchange or market (in the form of due bills or otherwise) as determined by such exchange or market.

“**Excess Proceeds**” means any Net Proceeds from Asset Sales or a Casualty or Condemnation Event that are not applied or invested as provided in Section 4.14(b).

“**Exchange Act**” means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

“**Exchange Agreement**” means that certain agreement, dated as of December 1, 2016, between the Company and the purchasers party thereto.

“**Exchange Notes**” means the $40,186,000 aggregate principal amount of Global Notes issued on the Issue Date and identified on the Issue Date by an unrestricted CUSIP number and not bearing a Restricted Notes Legend.

“**Excluded Assets**” has the meaning assigned to such term in the U.S. Security Agreement.

“**Excluded Real Property**” means any real property owned by the Company or a Guarantor with a Fair Market Value of less than $1.0 million; *provided*, *however*, that if, after the Issue Date, the Company or any Guarantor grants a mortgage or deed of trust (or equivalent instrument representing a security interest) in favor of another lender or holder of Indebtedness on any Excluded Real Property, such real property shall cease to be Excluded Real Property for so long as such mortgage or deed of trust remains in place and the Company or any Guarantor, as applicable, shall grant a mortgage or deed of trust over such real property in favor of the Collateral Agent or the Israeli Security Trustee, as applicable, as if such property is subject to Section 4.19 and shall be subject to the requirements of Section 14.01.

“**Existing Convertible Notes**” means the Company’s 4.50% Convertible Senior Notes due 2018 outstanding on the Issue Date, after giving effect to the issuance of the Notes.

“**Existing Convertible Notes Indenture**” means that certain indenture, dated as of September 18, 2013, between the Company and The Bank of New York Mellon Trust Company, N.A., as trustee, governing the Existing Convertible Notes.

“**Existing Convertible Notes Trustee**” means the trustee of the Existing Convertible Notes under the Existing Convertible Notes Indenture.

"**Existing Indebtedness**" means all Indebtedness of the Company and its Subsidiaries in existence on the Issue Date as listed on Schedule I hereto, until such amounts are repaid including, without limitation, the Existing Convertible Notes.

"**Fair Market Value**" means the value that would be paid by a willing buyer or licensor to an unaffiliated willing seller or licensee in a transaction not involving distress or necessity of either party, determined in good faith by (unless otherwise provided in this Indenture) the Board of Directors.

"**Fixed Charge Coverage Ratio**" means with respect to any specified Person for any period, the ratio of the Consolidated Cash Flow of such Person for such period to the Fixed Charges of such Person for such period. In the event that the specified Person or any of its Restricted Subsidiaries incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than (i) ordinary working capital borrowings and (ii) Indebtedness incurred under any revolving credit facility for ordinary working capital purposes unless such Indebtedness has been permanently repaid and has not been replaced) or issues, repurchases or redeems preferred stock subsequent to the commencement of the period for which the Fixed Charge Coverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Fixed Charge Coverage Ratio is made (the "**Calculation Date**"), then the Fixed Charge Coverage Ratio will be calculated after giving *pro forma* effect, in the good-faith judgment of the Chief Financial Officer of the Company as set forth in a certificate with supporting calculations delivered to the Trustee, to such incurrence, assumption, guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of preferred stock, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable period.

In addition, for purposes of calculating the Fixed Charge Coverage Ratio:

(1) acquisitions of business entities or property and assets constituting a division or line of business that have been made by the specified Person or any of its Restricted Subsidiaries, including through Investments, mergers or consolidations, or any Person or any of its Restricted Subsidiaries acquired by the specified Person or any of its Restricted Subsidiaries, and including all related financing transactions and including increases in ownership of Restricted Subsidiaries, during the reference period or subsequent to such reference period and on or prior to the Calculation Date, or that are to be made on the Calculation Date, will be given *pro forma* effect, in the good-faith judgment of the Chief Financial Officer of the Company, as if they had occurred on the first day of the reference period, in accordance with Regulation S-X promulgated under the Exchange Act;

(2) the Consolidated Cash Flow attributable to discontinued operations, as determined in accordance with U.S. GAAP, and operations or businesses (and ownership interests therein) disposed of on or prior to the Calculation Date, will be excluded;

(3) the Fixed Charges attributable to discontinued operations, as determined in accordance with U.S. GAAP, and operations or businesses (and ownership interests therein) disposed of on or prior to the Calculation Date, will be excluded, but only to the extent that the obligations giving rise to such Fixed Charges will not be obligations of the specified Person or any of its Restricted Subsidiaries following the Calculation Date;

(4) any Person that is a Restricted Subsidiary on the Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such reference period;

(5) any Person that is not a Restricted Subsidiary on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such reference period;

(6) if any Indebtedness bears a floating rate of interest, the interest expense on such Indebtedness will be calculated as if the rate in effect on the Calculation Date had been the applicable rate for the entire period (taking into account any Hedging Obligation applicable to such Indebtedness if such Hedging Obligation has a remaining term as of the Calculation Date that exceeds 12 months);

(7) if any Indebtedness is incurred under a revolving credit facility and is being given *pro forma* effect in such calculation, the interest on such Indebtedness shall be calculated based upon the average daily balance of such Indebtedness during the applicable period except as set forth in the first paragraph of this definition; and

(8) any interest expense attributable to the Existing Convertible Notes will be excluded for any reference period ending on or after the date the Existing Convertible Notes have been Effectively Discharged.

"**Fixed Charges**" means, with respect to any specified Person for any period, the sum, without duplication, of:

(1) the consolidated interest expense of such Person and its Restricted Subsidiaries for such period (with all interest on the Notes to be deemed to be paid in cash), whether paid or accrued, including, without limitation, amortization of original issue discount, non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, imputed interest with respect to Attributable Debt, commissions, discounts, yield and other fees and charges (including interest) incurred in respect of letter of credit or bankers' acceptance financings, and giving the effect of all payments made or received pursuant to Hedging Obligations in respect of interest rates, but excluding the amortization or write-off of debt issuance costs; *provided* that consolidated interest expense shall be calculated without giving effect to (i) the effects of Accounting Standards Codification Topic 815 "Derivatives and Hedging" and related interpretations to the extent such effects would otherwise increase or decrease consolidated interest expense for any purpose under this Indenture as a result of accounting for any embedded derivatives created by the terms of any Indebtedness and (ii) any original issue discount on the Notes issued on the Issue Date; *plus*

(2) the product of (a) all dividends, whether paid or accrued and whether or not in cash, on any series of Disqualified Stock of the Company or preferred stock of any of its Restricted Subsidiaries, other than dividends on Equity Interests payable solely in Equity Interests of the Company (other than Disqualified Stock) or to the Company or any of its Restricted Subsidiaries, and (b) a fraction, the numerator of which is one and the denominator of which is one minus the then-current combined federal, state and local statutory tax rate of such Person, expressed as a decimal, in each case, determined on a consolidated basis in accordance with U.S. GAAP.

"**Foreign Subsidiary**" means, with respect to any Person, (a) a Subsidiary of such Person that is organized under the laws of a jurisdiction other than the United States or any state thereof or the District of Columbia or (b) any direct or indirect Subsidiary of such Person that is treated as a disregarded entity for United States federal income tax purposes if substantially all of its assets consist of Equity Interests of one or more direct or indirect Subsidiaries of such Person described in clause (a) of this definition.

"**Form of Notice of Conversion**" means the form of "Conversion Notice" attached as Attachment 1 to the Form of Note attached hereto as Exhibit A.

"**Free Trade Date**" means the date that is one year after the relevant Last Original Issue Date; *provided*, *however*, that the Free Trade Date for the Exchange Notes will be the Issue Date. The Free Trade Date with respect to any shares of Common Stock issued upon conversion of any Notes or otherwise in respect of any Notes shall be the same as the Free Trade Date of such Notes.

"**Freely Tradable**" means, with respect to any Notes or any shares of the Common Stock issuable upon conversion of the Notes, that such Notes or such shares of Common Stock, as the case may be, (i) are eligible to be offered, sold or otherwise transferred pursuant to Rule 144 or otherwise by a Person that is not an "affiliate" (as defined in Rule 144) of the Company and that has not been an "affiliate" (as defined in Rule 144) of the Company during the immediately preceding three-month period without any volume or manner of sale restrictions under the Securities Act and, (ii) on and after the Free Trade Date, (A) in the case of the Notes, do not bear the Restricted Notes Legend and, in the case of shares of the Common Stock, do not bear the Restricted Stock Legend, and (B) with respect to Global Notes only, are identified by an unrestricted CUSIP number in the facilities of the Depositary.

"**Fundamental Change**" means the occurrence of a Change in Control or a Termination of Trading.

"**Global Note**" means a permanent global note that is in the form of the Note attached hereto as Exhibit A and that is registered in the name of the Depositary or the nominee of the Depositary and deposited with the Depositary, the nominee of the Depositary or a custodian appointed by the Depositary or the nominee of the Depositary.

"**Global Notes Legend**" means the legend identified as such in Exhibit A hereto.

The term "**guarantee**" means a guarantee, other than by endorsement of negotiable instruments for collection in the ordinary course of business, direct or indirect, in any manner including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take or pay or to maintain financial statement conditions or otherwise).

"**Guarantors**" means any Restricted Subsidiary of the Company that executes a Note Guarantee in accordance with the provisions of this Indenture, and their respective successors and assigns, in each case, until the Note Guarantee of such Person has been released in accordance with the provisions of this Indenture.

"**Hedging Obligations**" means, with respect to any specified Person, the obligations of such Person under:

(1) interest rate swap agreements (whether from fixed to floating or from floating to fixed), interest rate cap agreements and interest rate collar agreements;

(2) other agreements or arrangements designed to manage interest rates or interest rate risk; and

(3) other agreements or arrangements designed to protect such Person against fluctuations in currency exchange rates or commodity prices.

"**Holder**" or "**Holders**" means a Person or Persons in whose name a Note is registered in the Register.

"**Indebtedness**" means, with respect to any specified Person, any indebtedness of such Person (excluding accrued expenses and trade payables), whether or not contingent:

(1) in respect of borrowed money;

(2) evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof);

(3) in respect of banker's acceptances;

(4) representing Capital Lease Obligations or Attributable Debt in respect of sale and leaseback transactions;

(5) representing the balance deferred and unpaid of the purchase price of any property or services due more than six months after such property is acquired or such services are completed, but excluding any accrued liabilities being contested in good faith by appropriate proceedings promptly instituted and diligently conducted; or

(6) representing any Hedging Obligations,

in each case, if and to the extent any of the preceding items would appear as a liability upon a balance sheet (excluding the footnotes) of the specified Person prepared in accordance with U.S. GAAP. In addition, the term "Indebtedness" includes, (i) to the extent not otherwise included, the guarantee by the specified Person of any Indebtedness of any other Person and (ii) all Indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) equal to the lesser of (x) the Fair Market Value of such asset as of the date of determination and (y) the amount of such Indebtedness.

Notwithstanding anything to the contrary in the foregoing paragraph, the term "Indebtedness" will not include (a) in connection with the purchase by the Company or any of its Restricted Subsidiaries of any business, post-closing payment adjustments to which the seller may become entitled to the extent such payment is determined by a final closing balance sheet or such payment depends on the performance of such business after the closing unless such payments are required under U.S. GAAP to appear as a liability on the balance sheet (excluding the footnotes); *provided*, that at the time of closing, the amount of any such payment is not determinable and, to the extent such payment thereafter becomes fixed and determined, the amount is paid within 30 days thereafter; (b) contingent obligations incurred in the ordinary course of business and not in respect of borrowed money; (c) deferred or prepaid revenues; (d) any Capital Stock other than Disqualified Stock; or (e) purchase price holdbacks in respect of a portion of the purchase price of an asset to satisfy warranty or other unperformed obligations of the respective seller. Indebtedness shall be calculated without giving effect to the effects of Accounting Standards Codification Topic 815 "Derivatives and Hedging" and related interpretations to the extent such effects would otherwise increase or decrease an amount of Indebtedness for any purpose under this Indenture as a result of accounting for any embedded derivatives created by the terms of such Indebtedness.

"**Indenture**" means this Indenture, as amended or supplemented from time to time in accordance with the terms hereof.

"**Intellectual Property**" means, with respect to any Person, all intellectual property and proprietary rights in any jurisdiction throughout the world, and all corresponding rights, presently or hereafter existing, including: (a) all inventions (whether or not patentable or reduced to practice), all improvements thereto, and all patents, patent applications, industrial designs, industrial design applications, and patent disclosures, together with all reissues, continuations, continuations-in-part, revisions, divisionals, extensions, and reexaminations in connection therewith; (b) all trademarks, trademark applications, tradenames, servicemarks, servicemark applications, trade dress, logos and designs, business names, company names, Internet domain names, and all other indicia of origin, all applications, registrations, and renewals in connection therewith, and all goodwill associated with any of the foregoing; (c) all copyrights and other works of authorship, mask works, database rights and moral rights, and all applications, registrations, and renewals in connection therewith; (d) all trade secrets and proprietary knowhow and confidential information (including technical data, customer and supplier lists, manufacturing processes, pricing and cost information, and business and marketing plans and proposals); (e) all software (including source code, executable code, data, databases, and related documentation); and (f) all rights of privacy and publicity, including rights to the use of names, likenesses, images, voices, signatures and biographical information of real persons.

“**Intellectual Property Licenses**” means the licensing, development or commercialization of all or any substantial portion of the Intellectual Property related to the Products pursuant to any license, sub-license, collaboration agreement, strategic alliance or similar arrangement; *provided*, that Intellectual Property Licenses shall not include any Co-Promotion Arrangement or any license incidental to a Co-Promotion Arrangement.

“**Intellectual Property Sale**” means the sale, conveyance, transfer or other disposition (whether in a single transaction or a series of related transactions), other than, for the avoidance of doubt, pursuant to Intellectual Property Licenses or any Co-Promotion Arrangement, of all or any substantial portion of the Intellectual Property and other related assets related to the Products.

“**Investments**” means, with respect to any specified Person, all direct or indirect investments by such specified Person in other Persons (including Affiliates) in the forms of loans (including guarantees of Indebtedness or other Obligations), advances or capital contributions (excluding (i) commission, travel and similar advances to officers and employees made in the ordinary course of business and (ii) extensions of credit to customers or advances, deposits or payment to or with suppliers, lessors or utilities or for workers’ compensation, in each case, that are incurred in the ordinary course of business and recorded as accounts receivable, prepaid expenses or deposits on the balance sheet of such specified Person prepared in accordance with U.S. GAAP), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with U.S. GAAP. The acquisition by the Company or any Restricted Subsidiary of the Company of a Person that holds an Investment in a third Person will be deemed to be an Investment by the Company or such Restricted Subsidiary in such third Person in an amount equal to the Fair Market Value of the Investments held by the acquired Person in such third Person determined as provided in Section 4.11(f). Except as otherwise provided in this Indenture, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value but after giving effect (without duplication) to all subsequent reductions in the amount of such Investment as a result of (x) the repayment or disposition thereof for cash or (y) the redesignation of an Unrestricted Subsidiary as a Restricted Subsidiary (valued proportionately to the equity interest in such Unrestricted Subsidiary of the Company or such Restricted Subsidiary owning such Unrestricted Subsidiary at the time of such redesignation) at the Fair Market Value of the net assets of such Unrestricted Subsidiary at the time of such redesignation, in the case of clauses (x) and (y), not to exceed the original amount, or Fair Market Value, of such Investment.

“**Israeli Fixed Charge**” means the Israeli law governed fixed charge between, dated as of the Issue Date, between Protalix Ltd. and the Israeli Security Trustee.

"**Israeli Floating Charge**" means the Israeli law governed floating charge, dated as of the Issue Date, between Protalix Ltd. and the Israeli Security Trustee.

"**Israeli Innovation Authority**" means the Israeli National Authority for Technological Innovation (formerly known as the Office of the Chief Scientist of the Israeli Ministry of the Economy), or any successor governmental authority.

"**Israeli Security Agreements**" means the Israeli Fixed Charge, the Israeli Floating Charge and the Israeli Stock Pledge.

"**Israeli Security Trustee**" means Altshuler Shaham Trusts Ltd., in its capacity as Security Trustee under the Israeli law governed Security Documents.

"**Israeli Stock Pledge**" means the Israeli law governed pledge by the Company over its Equity Interests in Protalix Ltd., dated as of the Issue Date, between the Company and the Israeli Security Trustee.

"**Issue Date**" means the date of this Indenture, as set forth in the preamble hereto.

"**Last Original Issue Date**" means the last date of original issuance of the Notes; *provided*, *however*, that Notes originally issued hereunder on the Issue Date (or any Notes issued in exchange therefor or in substitution thereof) shall have a separate Last Original Issue Date (determined as aforesaid) than any other Notes originally issued hereunder (or any Notes issued in exchange therefor or in substitution thereof).

"**Last Reported Sale Price**" of the Common Stock on any date means the closing sale price per share (or if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices) on that date as reported in composite transactions for the principal U.S. national or regional securities exchange on which the Common Stock is traded. If the Common Stock is not listed for trading on a U.S. national or regional securities exchange on the relevant date, the "**Last Reported Sale Price**" shall be the last quoted bid price for the Common Stock in the over-the-counter market on the relevant date as reported by OTC Markets Group Inc. or a similar organization. If the Common Stock is not so quoted, the "**Last Reported Sale Price**" shall be the average of the mid-point of the last bid and ask prices for the Common Stock on the relevant date from each of at least three nationally recognized independent investment banking firms selected by the Company for this purpose.

"**Legal Requirements**" means, as to any Person, any treaty, law (including the common law), statute, ordinance, code, rule, regulation, guidelines, license, permit requirement, judgment, decree, verdict, order, consent order, consent decree, writ, declaration or injunction, policies and procedures, Order or determination of an arbitrator or a court or other governmental authority, and the interpretation or administration thereof, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject, in each case whether or not having the force of law.

"**Lien**" means, with respect to any property, (a) any mortgage, deed of trust, lien (statutory or other), judgment liens, pledge, encumbrance, claim, charge, assignment, hypothecation, deposit arrangement, security interest or encumbrance of any kind or any arrangement to provide priority or preference, including any easement, servitude, right-of-way or other encumbrance on title to real property, in each of the foregoing cases whether voluntary or imposed or arising by operation of law, and any agreement to give any of the foregoing, (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement and any lease in the nature thereof and any option, call, trust, contractual, statutory, UCC or similar right relating to such property, (c) in the case of securities, any purchase option, call or similar right of a third party with respect to such securities, and (d) any other arrangement having the effect of providing security.

"**Make-Whole Adjustment Event**" means (a) any Change in Control (determined after giving effect to any exceptions or exclusions from the definition of "Change in Control" but without giving effect to the proviso in clause (b) of the definition thereof) and (b) any Termination of Trading.

"**Make-Whole Premium**" means, with respect to each $1,000 in principal amount of Notes to be converted, an amount equal to the sum of the present values (with each such present value computed by a nationally recognized independent investment banking firm selected by the Company for this purpose using a discount rate per annum equal to (a) the Reference Discount Rate plus (b) 0.50%) of (i) subject to the immediately succeeding clause (ii), the remaining scheduled interest payments that would have been paid (assuming such payments are made in cash) on such Notes from the related Conversion Settlement Date to the earlier of the Maturity Date and the date that is three years after such Conversion Settlement Date (excluding, for purposes of calculating such present value, interest accrued on such Note to, but excluding, such Conversion Settlement Date that is otherwise paid pursuant to Section 10.02(h)); or (ii) if the Conversion Date for such Notes occurs after the Regular Record Date with respect to an Interest Payment Date and prior to such Interest Payment Date, the remaining scheduled interest payments that would have been paid (assuming such payments are made in cash) on such Note from such Interest Payment Date to the earlier of the Maturity Date and the date that is three years after such Interest Payment Date.

"**Net Proceeds**" means the aggregate cash proceeds and Cash Equivalents received by the Company or any of its Restricted Subsidiaries in respect of any Asset Sale or Casualty or Condemnation Event (including, without limitation, any cash or Cash Equivalents received upon the sale or other disposition of any non-cash consideration received in any Asset Sale), net of the direct costs relating to such Asset Sale or Casualty or Condemnation Event, including, without limitation, legal, accounting and investment banking fees and sales commissions, and any relocation expenses incurred as a result of the Asset Sale or Casualty or Condemnation Event, taxes paid or payable as a result of the Asset Sale or Casualty or Condemnation Event, in each case, after taking into account, without duplication, (1) any available tax credits or deductions and any tax sharing arrangements, and amounts required to be applied to the repayment of Indebtedness secured by a Permitted Lien on the asset or assets that were the subject of such Asset Sale or Casualty or Condemnation Event and any reserve for adjustment in respect of the sale price of such asset or assets established in accordance with U.S. GAAP, (2) any reserve or payment with respect to liabilities associated with such asset or assets and retained by the Company or any of its Restricted Subsidiaries after such sale or other disposition thereof, including, without limitation, severance costs, pension and other post-employment benefit liabilities and liabilities related to environmental matters or against any indemnification obligations associated with such transaction, (3) any cash escrows in connection with purchase price adjustments, reserves or indemnities (until released) and (4) in the case of any Asset Sale by a Restricted Subsidiary that is not a Guarantor, payments to holders of Equity Interests in such Restricted Subsidiary in such capacity (other than such Equity Interests held by the Company or any Restricted Subsidiary) to the extent that such payment is required to permit the distribution of such proceeds in respect of the Equity Interests in such Restricted Subsidiary held by the Company or any Restricted Subsidiary.

“**Non-Recourse Debt**” means Indebtedness:

(1) as to which none of the Company and its Restricted Subsidiaries (a) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness), (b) is directly or indirectly liable as a guarantor or otherwise, or (c) constitutes the lender, except, in each case, to the extent not prohibited by Section 4.11;

(2) no default with respect to which (including any rights that the holders of the Indebtedness may have to take enforcement action against an Unrestricted Subsidiary) would permit upon notice, lapse of time or both any holder of any other Indebtedness of the Company or any of its Restricted Subsidiaries to declare a default on such other Indebtedness or cause the payment of the Indebtedness to be accelerated or payable prior to its Stated Maturity; and

(3) as to which the lenders have been notified in writing that they will not have any recourse to the Equity Interests or assets of the Company or any Restricted Subsidiary, except as set forth above.

“**Note Documents**” means, collectively, this Indenture, the Notes, the Note Guarantees, the Security Documents and all other documents and instruments executed and delivered in connection herewith, in each case as such agreements may be amended, restated, supplemented or otherwise modified from time to time.

“**Note Guarantees**” means the guarantees by each Guarantor of the Company’s Obligations under this Indenture and the Notes, as set forth in this Indenture.

“**Note Liens**” means all Liens in favor of the Collateral Agent or the Israeli Security Trustee, as applicable, on Collateral securing the Obligations of the Company under this Indenture and the Notes.

"**Note Obligations**" means the Obligations of the Company and the other obligors (including the Guarantors) under this Indenture and the other Note Documents to pay principal, premium, if any, and interest (including any interest accruing after the commencement of bankruptcy or insolvency proceedings, whether or not allowed or allowable as a claim in such proceedings) when due and payable, and all other amounts due or to become due under or in connection with the Note Documents and the performance of all other Note Obligations of the Company and the Guarantors under the Note Documents, according to the respective terms thereof.

"**Notes**" means any of the Company's 7.50% Senior Secured Convertible Notes due 2021 issued under this Indenture.

"**NYSE MKT Stockholder Approval**" means the stockholder approval contemplated by Section 713(a) of the NYSE MKT Company Guide to issue 20% or more of the outstanding Common Stock in connection with the Notes.

"**Obligations**" means any principal, interest, penalties, fees, indemnifications, reimbursements (including, without limitation, reimbursement obligations with respect to letters of credit and bankers' acceptances), damages and other liabilities payable under the documentation governing any Indebtedness.

"**Observation Period**" means, for any Note:

(a) subject to clause (b), if the Conversion Date for such Note occurs on or after the 22nd Scheduled Trading Day immediately preceding the Maturity Date, the 20 consecutive VWAP Trading Day period beginning on, and including, the 21st Scheduled Trading Day immediately preceding the Maturity Date;

(b) if the Conversion Date for such Note occurs on or after a Redemption Notice Date and on or prior to the second Business Day preceding the relevant Redemption Date, the 20 consecutive VWAP Trading Day period beginning on, and including, the 21st Scheduled Trading Day immediately preceding the relevant Redemption Date; and

(c) in all other instances, the 20 consecutive VWAP Trading Day period beginning on, and including, the second VWAP Trading Day immediately following the Conversion Date for such Note.

"**Officer**" means the Chairman of the Board, the Vice Chairman, the Chief Executive Officer, the President, the Chief Financial Officer, any Executive Vice President, any Senior Vice President, any Vice President, the Chief Accounting Officer, the Treasurer or the Secretary of the Company or any Guarantor, as applicable.

"**Officers' Certificate**" means a written certificate containing the information specified in Sections 15.03 and 15.04 hereof, signed in the name of the Company, or any Guarantor, as applicable, by any two Officers, and delivered to the Trustee and, if applicable, the Collateral Agent; *provided* that, if such certificate is given pursuant to Section 4.05 hereof, (i) one of the Officers signing such certificate must be the Chief Financial Officer or the Chief Accounting Officer of the Company and (ii) such certificate need not contain the information specified in Sections 15.03 and 15.04 hereof.

"**Open of Business**" means 9:00 a.m., New York City time.

"**Opinion of Counsel**" means a written opinion containing the information specified in Sections 15.03 and 15.04 hereof, from legal counsel who is reasonably satisfactory to the Trustee and, if applicable, the Collateral Agent. The counsel may be an employee of, or counsel to, the Company who is reasonably satisfactory to the Trustee and, if applicable, the Collateral Agent.

"**Order**" means any judgment, decree, verdict, order, consent order, consent decree, writ, declaration or injunction.

"**Permitted Business**" means any business conducted by the Company or any of its Restricted Subsidiaries on the Issue Date and any business that, in the good faith judgment of the Board of Directors, is similar or reasonably related, ancillary, supplemental or complementary thereto or a reasonable extension, development or expansions thereof.

"**Permitted Exchange**" means any of The NYSE MKT, The New York Stock Exchange, the NASDAQ Global Market, the NASDAQ Capital Market or the NASDAQ Global Select Market (or any of their respective successors).

"**Permitted Hedging Obligations**" means any Hedging Obligations that would constitute Permitted Debt pursuant to Section 4.13(b)(ix).

"**Permitted Investments**" means:

(1) (i) any Investment in the Company or any Guarantor and (ii) any Investment by any Restricted Subsidiary of the Company that is not a Guarantor in the Company or any Restricted Subsidiary (in each case, other than any Investment in unsecured Indebtedness, any Indebtedness secured by a Lien junior in priority to the Liens securing the Notes or any Equity Interests of the Company);

(2) any Investment in Cash Equivalents;

(3) any Investment by the Company or any Restricted Subsidiary of the Company in a Person, if, as a result of, or in connection with, such Investment:

(a) such Person becomes a Guarantor; or

(b) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Company or any Guarantor;

(4) any Investment made as a result of the receipt of non-cash consideration from an Asset Sale that was made pursuant to and in compliance with Section 4.14 or from a sale or other disposition of assets not constituting an Asset Sale;

(5) any acquisition of assets or Capital Stock solely in exchange for the issuance of Equity Interests (other than Disqualified Stock) of the Company;

(6) any Investments received in compromise or resolution of (a) obligations of trade creditors or customers that were incurred in the ordinary course of business of the Company or any of its Restricted Subsidiaries, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer; or (b) litigation, arbitration or other disputes;

(7) Investments represented by Permitted Hedging Obligations;

(8) loans and advances to officers, directors or employees (a) for business-related travel expenses, moving expenses and other similar expenses, including as part of a recruitment or retention plan, in each case incurred in the ordinary course of business or consistent with past practice or to fund any such Person's purchase of Equity Interests of the Company or any direct or indirect parent entity of the Company, (b) required by applicable employment laws and (c) otherwise in an amount not to exceed $0.5 million at any one time outstanding;

(9) any Investment of the Company or any of its Restricted Subsidiaries existing on the Issue Date, and any extension, modification or renewal of such existing Investments, to the extent not involving any additional Investment other than as the result of the accrual or accretion of interest or original issue discount or the issuance of pay-in-kind securities, in each case, pursuant to the terms of such Investments as in effect on the Issue Date;

(10) guarantees of Indebtedness otherwise permitted by the terms of this Indenture;

(11) receivables owing to the Company or any of its Restricted Subsidiaries, prepaid expenses, and lease, utility, workers' compensation and other deposits, if created, acquired or entered into in the ordinary course of business;

(12) payroll, business-related travel and similar advances to cover matters that are expected at the time of such advances to be ultimately treated as expenses for accounting purposes and that are made in the ordinary course of business;

(13) Investments consisting of purchases and acquisitions of inventory, supplies, material or equipment pursuant to joint marketing, joint development or similar arrangements with other Persons in the ordinary course of business and entered with bona fide counterparties operating in the same industry as the Company;

(14) advances, loans, rebates and extensions of credit (including the creation of receivables and endorsements for collection and deposit) to suppliers, customers and vendors, and performance guarantees, in each case in the ordinary course of business;

(15) Investments resulting from the acquisition of a Person, otherwise permitted by this Indenture, which Investments at the time of such acquisition were held by the acquired Person and were not acquired in contemplation of the acquisition of such Person;

(16) stock, obligations or securities received in satisfaction of judgments and any renewal or replacement thereof;

(17) repurchases of any Notes; and

(18) other Investments in any Person having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value) that, when taken together with all other Investments made pursuant to this clause (18), do not, at any time outstanding, exceed $2.5 million, net of any cash return of capital with respect to such Investments received by the Company or any Restricted Subsidiary of the Company.

In the event that an Investment (or any portion thereof) meets the criteria of more than one of the categories of Permitted Investments described in clauses (1) through (18) above, the Company will be permitted to classify (and may from time to time thereafter reclassify) such Investment (or any portion thereof) and will only be required to include such Investment in one of the categories of Permitted Investments described in clauses (1) through (18) above. At the time of making such Investment or upon any later reclassification, the Company may divide and classify an Investment in more than one of the categories of Permitted Investments described in clauses (1) through (18) above.

"**Permitted Liens**" means:

(1) Liens on the Collateral securing any Indebtedness incurred under Section 4.13(b)(i); *provided* that the aggregate principal amount of such Indebtedness outstanding, on a *pro forma* basis, does not exceed the principal amount of the Notes issued on the Issue Date;

(2) Liens on property of a Person existing at the time such Person becomes a Restricted Subsidiary of the Company or is merged with or into or consolidated with the Company or any Restricted Subsidiary; *provided*, that such Liens were in existence prior to the contemplation of such Person becoming a Restricted Subsidiary of the Company or such merger or consolidation and do not extend to any assets other than those of the Person that becomes a Restricted Subsidiary of the Company or is merged into or consolidated with the Company or any Restricted Subsidiary of the Company (plus improvements and accessions to such property or proceeds or distributions thereof);

(3) Liens on property (including Capital Stock) existing at the time of acquisition of the property by the Company or any Restricted Subsidiary of the Company (plus improvements and accessions to such property or proceeds or distributions thereof); *provided*, that such Liens were in existence prior to such acquisition and not incurred in contemplation of such acquisition;

(4) Liens to secure permitted Capital Lease or purchase money obligations, as permitted to be incurred pursuant to clause (iii) under Section 4.13(b), and encumbering only the assets acquired with or financed by such Indebtedness (plus improvements and accessions to such property or proceeds or distributions thereof);

(5) Liens in the form of licenses or sublicenses under commercial licensing agreements; *provided* that such licenses or sublicenses are permitted pursuant to clauses (1) or (16) of the second paragraph of the definition of Asset Sales;

(6) Liens in favor of the Company or the Guarantors;

(7) Liens (other than Liens imposed by the Employee Retirement Income Security Act of 1974, as amended) in the ordinary course of business to secure the performance of tenders, statutory obligations (other than excise taxes), insurance, surety, bid, performance, stay, customs and appeal bonds, statutory bonds, bids, leases, government contracts, trade contracts, performance bonds and other similar obligations (in each case, exclusive of obligations for the payment of Indebtedness); *provided*, that, such Liens are for amounts not yet due and payable or delinquent or, to the extent such amounts are so due and payable, such amounts are being contested in good faith by appropriate proceedings for which adequate reserves have been established in accordance with U.S. GAAP, which proceedings (or any Order entered in connection with such proceedings) have the effect of preventing the forfeiture or sale of the property subject to any such Lien;

(8) [Reserved];

(9) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded, which proceedings (or Order entered in connection with such proceedings) have the effect of preventing the forfeiture or sale of the property subject to any such Lien; *provided*, that any reserve or other appropriate provision as is required in conformity with U.S. GAAP has been made therefor;

(10) any state of facts an accurate survey would disclose, prescriptive easements or adverse possession claims, minor encumbrances, easements or reservations of, or rights of others for, or pursuant to any leases, licenses, rights-of-way or other similar agreements or arrangements, development, air or water rights, sewers, electric lines, telegraph and telephone lines and other utility lines, pipelines, service lines, railroad lines, improvements and structures located on, over or under, any property, drains, drainage ditches, culverts, electric power or gas generating or co-generation, storage and transmission facilities and other similar purposes, zoning or other restrictions as to the use of real property or minor defects in title, which were not incurred to secure payment of Indebtedness and that do not in the aggregate materially adversely affect the value or marketability of said properties or materially impair their use in the operation of the business of the owner or operator of such properties or business;

(11) [Reserved];

(12) Liens incurred or pledges or deposits made in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security and employee health and disability benefits, or casualty-liability insurance or self-insurance; *provided*, that, such Liens are for amounts not yet due and payable or delinquent or, to the extent such amounts are so due and payable, such amounts are being contested in good faith by appropriate proceedings for which adequate reserves have been established in accordance with U.S. GAAP, which proceedings (or any Order entered in connection with such proceedings) have the effect of preventing the forfeiture or sale of the property subject to any such Lien;

(13) judgment and attachment Liens not giving rise to an Event of Default and notices of *lis pendens* and associated rights related to litigation being contested in good faith by appropriate proceedings and for which adequate reserves have been made in conformity with U.S. GAAP;

(14) Liens on assets securing Permitted Hedging Obligations;

(15) Liens in favor of any collecting or payor bank having a right of setoff, revocation, refund or chargeback with respect to money or instruments of the Company or any Restricted Subsidiary thereof on deposit with or in possession of such bank;

(16) any obligations or duties affecting any of the property of the Company or any of its Restricted Subsidiaries to any municipality or public authority with respect to any franchise, grant, license, or permit that do not materially impair the use of such property for the purposes for which it is held;

(17) Liens on any amounts held by a trustee in the funds and accounts under an indenture securing any bonds issued for the benefit of the Company or any of the Guarantors;

(18) Liens on deposit accounts incurred to secure Treasury Management Arrangements pursuant to such Treasury Management Arrangements incurred in the ordinary course of business;

(19) any netting or set-off arrangements entered into by the Company or any of its Restricted Subsidiaries in the ordinary course of its banking arrangements (including, for the avoidance of doubt, cash pooling arrangements) for the purposes of netting debit and credit balances of the Company or any of its Restricted Subsidiaries;

(20) Liens on any cash deposit made by the Company to the account of the Existing Convertible Notes Trustee or to the account of a trustee of other Indebtedness of the Company, for the benefit of the holders of the Existing Convertible Notes or such other Indebtedness, solely in connection with an Effective Discharge or an effective discharge of such other Indebtedness; *provided* that, in each case, such cash is received in a transaction pursuant to Section 4.11(e)(ii) or Section 4.11(e)(vi) for the purpose of such Effective Discharge or such effective discharge of such other Indebtedness; and

(21) Liens imposed by law, which were incurred in the ordinary course of business and do not secure Indebtedness for borrowed money, such as carriers', warehousemen's, materialmen's, landlords', workmen's, suppliers', repairmen's and mechanics' Liens and other similar Liens arising in the ordinary course of business (including customary contractual landlords' liens under operating leases entered into in the ordinary course of business); and (i) which do not in the aggregate materially detract from the value of the property of the Companies, taken as a whole, and do not materially impair the use thereof in the operation of the business of the Company and its Restricted Subsidiaries, taken as a whole, and (ii) which, if they secure obligations that are then due and unpaid, are being contested in good faith by appropriate proceedings timely initiated and for which adequate reserves have been established in accordance with GAAP, which proceedings (or Orders entered in connection with such proceedings) have the effect of preventing the forfeiture or sale of the property subject to any such Lien.

"**Person**" means any individual, corporation, limited liability company, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof.

"**Physical Settlement**" means (a) with respect to the Conversion Settlement Method applicable to any conversion of Notes, that the Company shall have elected, in accordance with Section 10.02(a), to settle its Conversion Obligation solely in shares of Common Stock (and cash in lieu of any fractional shares) in accordance with Section 10.02(a)(iii)(B) and (b) with respect to the Make-Whole Settlement Method applicable to the Make-Whole Premium due upon any conversion of Notes, that the Company shall have elected, in accordance with Section 10.03(a), to settle its Make-Whole Obligation solely in shares of Common Stock (and cash in lieu of any fractional shares) in accordance with Section 10.03(a)(iii)(B).

"**Products**" means any of PRX-102, PRX-106, PRX-110 and PRX-112.

"**Publicly Traded Securities**" means shares of common stock traded on a Permitted Exchange.

"**Record Date**" means, with respect to any dividend, distribution or other transaction or event in which the holders of Common Stock (or other applicable security) have the right to receive any cash, securities or other property or in which the Common Stock (or such other security) is exchanged for or converted into any combination of cash, securities or other property, the date fixed for determination of holders of the Common Stock (or such other security) entitled to receive such cash, securities or other property (whether such date is fixed by the Board of Directors, by statute, by contract or otherwise).

"**Redemption Notice Date**" means the date on which the Company delivers to Holders and the Trustee a Redemption Notice pursuant to Section 11.02(a).

"**Redemption Price**" means:

(a) for any Note to be redeemed pursuant to Section 11.01(a) on any Redemption Date, an amount calculated by the Company equal to (a) 100% of the principal amount of such Note; plus (b) any accrued and unpaid interest on such Note to, but excluding, the Redemption Date (unless the Redemption Date falls after a Regular Record Date but on or prior to the immediately succeeding Interest Payment Date, in which case interest accrued to the Interest Payment Date will be paid to Holders of record of such Notes on such Regular Record Date and the Redemption Price will not include such accrued interest); plus (c) the sum of the present values (with each such present value computed by a nationally recognized independent investment banking firm selected by the Company for this purpose using a discount rate per annum equal to (x) the Reference Discount Rate plus (y) 0.50%) of (i) subject to the immediately succeeding clause (ii), the remaining scheduled interest payments that would have been paid (assuming such payments are made in cash) on such Notes from the Redemption Date to the earlier of the Maturity Date and the date that is three years after such Redemption Date (excluding, for purposes of calculating such present value, interest accrued on such Note to, but excluding, the Redemption Date that is otherwise paid pursuant to the immediately preceding clause (b)); or (ii) if the Redemption Date occurs after the Regular Record Date with respect to an Interest Payment Date and prior to such Interest Payment Date, the remaining scheduled interest payments that would have been paid (assuming such payments are made in cash) on such Note from such Interest Payment Date to the earlier of the Maturity Date and the date that is three years after such Interest Payment Date; or

(b) for any Note to be redeemed pursuant to Section 11.01(b) on any Redemption Date, an amount equal to (a) 101% of the principal amount of such Note; plus (b) any accrued and unpaid interest on such Note to, but excluding, the Redemption Date (unless the Redemption Date falls after a Regular Record Date but on or prior to the immediately succeeding Interest Payment Date, in which case interest accrued to the Interest Payment Date will be paid to Holders of record of such Notes on such Regular Record Date and the Redemption Price will not include such accrued interest).

"**Reference Discount Rate**" means, for any conversion or Optional Redemption, as the case may be, the yield for 3-month U.S. Treasury bills in secondary market trading for the fifth Business Day immediately preceding the Conversion Date or Redemption Notice Date, as applicable, as displayed opposite the caption "U.S. government securities—Treasury bills (secondary market)—3-month" on the "H.15" weekly release or daily update, as applicable, for that Business Day published by the Federal Reserve System Board of Governors (or its successor) (or its equivalent successor if such weekly release or daily update, as applicable, is not available). If such yield is unavailable, the "Reference Discount Rate" will be the average of the secondary market bid rates of at least three nationally recognized independent investment banking firms selected by the Company for this purpose and may include the investment banking firm selected by the Company to determine the Make-Whole Premium or Redemption Price, as applicable, as of 3:30 p.m., New York City time, on that Business Day for the issue of U.S. Treasury bills with a remaining maturity closest to three months.

"**Restricted Investment**" means an Investment other than a Permitted Investment.

"**Restricted Notes Legend**" means the legend identified as such set forth in Exhibit A hereto, or any other similar legend indicating the restricted status of the Notes under Rule 144.

"**Restricted Stock Legend**" means a legend in the form set forth in Exhibit C hereto or any other similar legend indicating the restricted status of the Common Stock under Rule 144.

"**Restricted Subsidiary**" of a Person means any Subsidiary of such Person that is not an Unrestricted Subsidiary. Where such term is used without a referent Person, such term shall be deemed to mean a Subsidiary of the Company that is not an Unrestricted Subsidiary, unless the context otherwise requires.

"**Rule 144**" means Rule 144 under the Securities Act (or any successor provision), as it may be amended from time to time.

"**Rule 144A**" means Rule 144A under the Securities Act (or any successor provision), as it may be amended from time to time.

"**Scheduled Trading Day**" means a day that is scheduled to be a Trading Day on the principal U.S. national or regional securities exchange or market on which the Common Stock is listed or admitted for trading. If the Common Stock is not so listed or admitted for trading, "**Scheduled Trading Day**" means a Business Day.

"**SEC**" means the Securities and Exchange Commission.

"**Secured Parties**" has the meaning set forth in the U.S. Security Agreement.

"**Securities Act**" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"**Security Agreement**" means, as the context requires, (i) the U.S. Security Agreement, (ii) Israeli Fixed Charge (iii) the Israeli Floating Charge and (iv) the Israeli Stock Pledge, each as amended, modified, restated, supplemented or replaced from time to time in accordance with this Indenture and the terms thereunder.

"**Security Documents**" means the Security Agreement and all security agreements, pledge agreements, collateral assignments, mortgages, deeds of trust, collateral agency agreements, control agreements or other grants or transfers for security executed and delivered by the Company or any other Guarantor creating (or purporting to create) a Lien upon Collateral in favor of the Collateral Agent or the Israeli Security Trustee, as applicable, in each case, as amended, modified, renewed, restated or replaced, in whole or in part, from time to time, in accordance with its terms.

"**Share Make-Whole Premium Number**" means, with respect to any Conversion Date, a number of shares of Common Stock equal to (a) (i) the Make-Whole Premium minus (ii) the applicable Cash Make-Whole Premium Amount divided by (b) the applicable Conversion Make-Whole Share Price; *provided* that, if the Make-Whole Premium is less than or equal to the Cash Make-Whole Premium Amount, the Share Make-Whole Premium Number shall be zero.

"**Significant Subsidiary**" means any Subsidiary that is a "significant subsidiary" of the Company within the meaning of Rule 1-02(w) of Regulation S-X promulgated under the Exchange Act.

"**Stated Maturity**" means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal, as applicable, was scheduled to be paid in the documentation governing such Indebtedness, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof; *provided*, *however*, that, with respect to Section 4.11(c), the Stated Maturity of any Existing Indebtedness shall be the Stated Maturity as of the Issue Date or a later date to the extent the documents governing such Indebtedness shall have been amended or modified to provide for such later date.

"**Subsidiary**" means, with respect to any specified Person:

(1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or stockholders' agreement that effectively transfers voting power) to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of such Person (or a combination thereof); and

(2) any partnership (a) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (b) the only general partners of which are such Person or one or more Subsidiaries of such Person (or any combination thereof) to the extent such partnership is included in the consolidated financial statements of such Person.

"**Termination of Trading**" means the Common Stock (or other Reference Property into which the Notes are then convertible) ceases to be listed or quoted on any Permitted Exchange.

"**TIA**" means the Trust Indenture Act of 1939 as in effect on the Issue Date; *provided*, *however*, that if the TIA is amended after such date, TIA means, to the extent required by any such amendment, the TIA as so amended.

"**Trading Day**" means a day on which (i) trading in the Common Stock (or other security for which a Last Reported Sale Price must be determined) generally occurs on The NYSE MKT or, if the Common Stock (or such other security) is not then listed on The NYSE MKT, on the principal other U.S. national or regional securities exchange on which the Common Stock (or such other security) is then listed or, if the Common Stock (or such other security) is not then listed on a U.S. national or regional securities exchange, on the principal other market on which the Common Stock (or such other security) is then traded and (ii) a Last Reported Sale Price for the Common Stock (or such other security) is available on such securities exchange or market; *provided*, that if the Common Stock (or such other security) is not so listed or traded, "**Trading Day**" means a Business Day.

“**Transfer**” means, with respect to any Restricted Note or share of Common Stock that bears, or is required to bear, the Restricted Stock Legend, any sale, pledge, transfer, loan, hypothecation or other disposition of such Restricted Note or share of Common Stock, as the case may be.

“**Transfer Agent**” means, initially, American Stock Transfer & Trust Company, LLC, in its capacity as the transfer agent for the Common Stock, and any successor entity acting in such capacity.

“**Treasury Management Arrangement**” means any agreement or other arrangement governing the provision of treasury or cash management services, including, without limitation, deposit accounts, overdraft, overnight draft, credit cards, debit cards, p-cards (including purchasing cards, employee credit card programs and commercial cards), funds transfer, automated clearinghouse, direct debit, zero balance accounts, returned check concentration, controlled disbursement, lockbox, account reconciliation and reporting and trade finance services, netting services, cash pooling arrangements, credit and debit card acceptance or merchant services and other treasury or cash management services.

“**Trust Officer**” means any officer within the corporate trust department of the Trustee (or any successor group of the Trustee) or, if applicable, the Collateral Agent with direct responsibility for the administration of this Indenture or, if applicable, the U.S. Security Agreement and also means, with respect to a particular corporate trust matter hereunder, any other officer of the Trustee or, if applicable, the Collateral Agent to whom such matter is referred because of his or her knowledge of and familiarity with the particular subject.

“**Trustee**” means the party named as the “Trustee” in the first paragraph of this Indenture until a successor replaces it pursuant to the applicable provisions of this Indenture and, thereafter, means such successor. The foregoing sentence will likewise apply to any such subsequent successor or successors.

“**U.S. GAAP**” means generally accepted accounting principles set forth in opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession in the United States in effect on the date of this Indenture.

“**U.S. Security Agreement**” means the U.S. Security Agreement dated as of the Issue Date, among the Company, the Guarantors party thereto and the Collateral Agent.

"**UCC**" means the New York Uniform Commercial Code as in effect from time to time.

"**Unrestricted Subsidiary**" means any Subsidiary of the Company that is designated by the Board of Directors as an Unrestricted Subsidiary pursuant to a resolution of the Board of Directors, but only to the extent that such Subsidiary:

(1) has no Indebtedness other than Non-Recourse Debt;

(2) is not party to any agreement, contract, arrangement or understanding with the Company or any Restricted Subsidiary of the Company unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to the Company or any such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Company;

(3) is a Person with respect to which neither the Company nor any of its Restricted Subsidiaries has a direct or indirect obligation (a) to subscribe for additional Equity Interests or (b) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results; and

(4) has not guaranteed or otherwise provided credit support for any Indebtedness of the Company or any of the Company's Restricted Subsidiaries.

"**VWAP Market Disruption Event**" means, with respect to any date, (i) the failure by the principal U.S. national or regional securities exchange on which the Common Stock is then listed, or, if the Common Stock is not then listed on a U.S. national or regional securities exchange, the principal other market on which the Common Stock is then traded, to open for trading during its regular trading session on such date; or (ii) the occurrence or existence, for more than one half hour period in the aggregate, of any suspension or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the relevant exchange or otherwise) in the Common Stock or in any options contracts or future contracts relating to the Common Stock, and such suspension or limitation occurs or exists at any time before 1:00 p.m., New York City time, on such date.

"**VWAP Trading Day**" means a day during which (i) trading in the Common Stock generally occurs on the principal U.S. national or regional securities exchange or market on which the Common Stock is listed or admitted for trading and (ii) there is no VWAP Market Disruption Event. If the Common Stock is not so listed or traded, then "VWAP Trading Day" means a Business Day.

"**Weighted Average Life to Maturity**" means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

(1) the sum of the products obtained by multiplying (a) the amount of each then-remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of such Indebtedness, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by

(2) the then-outstanding principal amount of such Indebtedness.

“**Wholly Owned Subsidiary**” of any specified Person means, (a) any corporation one hundred percent of whose capital stock (other than directors’ qualifying shares and other nominal shares required to be held by local nationals, in each case to the extent required under applicable Legal Requirements) is at the time owned by such Person and/or one or more Wholly Owned Subsidiaries of such Person and (b) any partnership, association, joint venture, limited liability company or other entity in which such Person and/or one or more Wholly Owned Subsidiaries of such Person have a one hundred percent Equity Interest (other than directors’ qualifying shares and other nominal shares required to be held by local nationals, in each case to the extent required under applicable Legal Requirements) at such time.

Section 1.02. *Other Definitions.*

Term Section:	**Defined in:**
“**Act**”	1.04
“**Additional Interest**”	4.04(a)
“**Additional Notes**”	2.01(a)
“**Additional Shares**”	10.04(a)
“**Affiliate Transaction**”	4.16(a)
“**Agent Members**”	2.02(c)
“**Aggregate Payments**”	12.01(e)
“**Aggregated Person**”	10.13
“**Applicable Law**”	15.15
“**Calculation Date**”	1.01
“**Cash Amount**”	10.02(a)(i)
“**Cash Make-Whole Premium Amount**”	10.03(a)(i)
“**Clause A Distribution**”	10.05(c)
“**Clause B Distribution**”	10.05(c)
“**Clause C Distribution**”	10.05(c)
“**Contributing Guarantors**”	12.01(e)
“**Conversion Agent**”	2.06(a)
“**Conversion Date**”	10.02(c)
“**Conversion Obligation**”	10.01
“**Conversion Rate**”	10.01
“**Conversion Settlement Method**”	10.02(a)(iii)
“**Default Interest**”	2.04(d)
“**Defaulted Amount**”	2.04(d)
“**Distributed Property**”	10.05(c)
“**Event of Default**”	6.01(a)
“**Fair Share**”	12.01(e)
“**Fair Share Contribution Amount**”	12.01(e)
“**Fundamental Change Company Notice**”	3.01(c)

Term Section:	Defined in:
"**Fundamental Change Repurchase Date**"	3.01(a)
"**Fundamental Change Repurchase Notice**"	3.01(b)(i)
"**Fundamental Change Repurchase Price**"	3.01(a)
"**Funding Guarantor**"	12.01(e)
"**incur**"	4.14(a)
"**Interest Payment Date**"	2.04(a)
"**Make-Whole Adjustment Period**"	10.04(a)
"**Make-Whole Exception**"	10.13
"**Make-Whole Obligation**"	10.03(a)
"**Make-Whole Settlement Method**"	10.03(a)(iii)
"**Maturity Date**"	2.04(a)
"**Merger Event**"	10.08(a)
"**Moody's**"	1.01
"**Notice of Conversion**"	10.02(b)
"**Optional Redemption**"	11.01
"**Paying Agent**"	2.06(a)
"**Permitted Debt**"	4.14(b)
"**Permitted Refinancing Indebtedness**"	4.14(b)(v)
"**Redemption Date**"	11.02(a)
"**Redemption Notice**"	11.02(a)
"**Reference Property**"	10.08(a)
"**refinance**"	4.14(b)(v)
"**Register**"	2.06(a)
"**Registrar**"	2.06(a)
"**Regular Record Date**"	2.04(a)
"**Reorganization Event**"	5.01
"**Reorganization Successor Corporation**"	5.01(a)(ii)
"**Restricted Note**"	2.10(a)(i)
"**Restricted Ownership Percentage**"	10.13
"**Restricted Payments**"	4.12(d)
"**S&P**"	1.01
"**Section 16 Conversion Blocker**"	10.13
"**Settlement Notice**"	10.02(a)(i)
"**Special Interest**"	4.03(d)
"**Special Regular Record Date**"	2.04(d)(i)
"**Spin-Off**"	10.05(c)
"**Stock Price**"	10.04(c)
"**Subordinated Indebtedness**"	4.12(c)
"**Temporary Notes**"	2.12
"**Tender/Exchange Offer Valuation Period**"	10.05(e)
"**Trigger Event**"	10.05(c)
"**unit of Reference Property**"	10.08(a)
"**Valuation Period**"	10.05(c)

Section 1.03. *Rules of Construction. Unless the context requires otherwise:*

(1) a term has the meaning assigned to it;

(2) an accounting term not otherwise defined has the meaning assigned to it and will be construed in accordance with U.S. GAAP;

(3) "**or**" is not exclusive;

(4) "**including**" means including, without limitation;

(5) words in the singular include the plural, and words in the plural include the singular;

(6) all references to $, dollars, cash payments or money refer to United States currency; and

(7) all references to interest on the Notes (a) will include any Additional Interest payable pursuant to Section 4.04 hereof and Special Interest payable pursuant to Section 4.03(d) hereof, (b) but, for the avoidance of doubt, will not include any Default Interest payable on a Defaulted Amount pursuant to the terms of Section 2.04 hereof.

Section 1.04. *Acts of Holders*. Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Holders may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Holders in person or by an agent duly appointed in writing; and, except as herein otherwise expressly provided, such action will become effective when such instrument or instruments are delivered to the Trustee, the Collateral Agent (if applicable) and to the Company. Such instrument or instruments (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the "**Act**" of Holders signing such instrument or instruments. Proof of execution of any such instrument will be sufficient for any purpose of this Indenture and conclusive in favor of the Trustee, the Collateral Agent (if applicable) and the Company, if made in the manner provided in this Section 1.04.

The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by a certificate of a notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the individual signing such instrument or writing acknowledged to such officer the execution thereof. Where such execution is by a signer acting in a capacity other than such signer's individual capacity, such certificate or affidavit will also constitute sufficient proof of such signer's authority. The fact and date of the execution of any such instrument or writing, or the authority of the Person executing the same, may also be proved in any other manner that the Trustee and the Collateral Agent (if applicable) deem sufficient.

Any request, demand, authorization, direction, notice, consent, waiver or other Act of the Holder of any Note will bind every future Holder of the same Note and the Holder of every Note issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof in respect of anything done, omitted or suffered to be done by the Trustee, the Collateral Agent, the Company, the Paying Agent, the Conversion Agent or the Registrar in reliance thereon, whether or not notation of such action is made upon such Note.

Article 2
THE NOTES

Section 2.01. *Designation, Amount and Issuance of Notes.*

(a) The Notes will be designated as "7.50% Senior Secured Convertible Notes due 2021." The initial aggregate principal amount of Notes to be issued, authenticated and delivered on the Issue Date under this Indenture is sixty-two million six hundred eighty-six thousand dollars ($62,686,000). From time to time, the Company may issue and execute, and the Trustee may authenticate, Notes delivered upon registration of transfer of, or in exchange for, or in lieu of, other Notes pursuant to Sections 2.09, 2.11, 2.12 and 10.02 hereof, or delivered upon any redemption or repurchase of Notes and representing the un-redeemed or un-repurchased portion thereof. In addition, the Company may issue an unlimited aggregate principal amount of additional Notes ("**Additional Notes**") in accordance with clause (b) of this Section 2.01, so long as the incurrence of the Indebtedness represented by such Additional Notes is at such time permitted by Sections 4.13 and 4.16.

(b) Without the consent of any Holder, and notwithstanding anything to the contrary in Sections 2.01(a) or 2.05 hereof, the Company may increase the aggregate principal amount of the Notes issued under this Indenture by issuing Additional Notes, so long as the incurrence of the Indebtedness represented by such Additional Notes is at such time permitted by Sections 4.13 and 4.16, with the same terms as the initial Notes (except, the issue price, the issue date, and, to the extent applicable the first Interest Payment Date, and as to the Last Original Issue Date with respect to such Additional Notes as provided in the proviso to the definition thereof), which Notes will, subject to the foregoing, be considered to be part of the same series of Notes as those initially issued hereunder; *provided*, *however*, that if any such Additional Notes are not fungible with other Notes issued hereunder for federal income tax purposes, then such Additional Notes shall have a separate CUSIP number or numbers. Prior to issuing any such Additional Notes, the Company will deliver to the Trustee a Company Order, an Officers' Certificate and an Opinion of Counsel, which Officers' Certificate and Opinion of Counsel will (i) confirm that the incurrence of the Indebtedness represented by such Additional Notes is at such time permitted by Section 4.13 and 4.16 and (ii) address any matters required to be addressed under Section 15.04 hereof.

Section 2.02. *Form of Notes.*

(a) General. The Notes will be substantially in the form of Exhibit A hereto, but may include any notations, legends or endorsements required by any applicable law (or regulation promulgated thereunder), stock exchange rule or usage, or any insertions, omissions or other variations otherwise permitted or required by this Indenture. Whenever any such notation, legend or endorsement, or any such insertion, omission or other variation is applicable to a Note, the Company will provide such notation, legend or endorsement, or such insertion, omission or other variation to the Trustee in writing.

Each Note will bear a Trustee's certificate of authentication substantially in the form set forth in Exhibit A hereto.

Notes that are Global Notes will bear the Global Notes Legend and the "Schedule of Increases and Decreases of Global Note" attached thereto.

Notes that are Restricted Notes will bear the Restricted Notes Legend.

The terms and provisions contained in the Notes will constitute, and are hereby expressly made, a part of this Indenture and, to the extent applicable, the Company, the Guarantors, the Trustee and the Collateral Agent, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and to be bound thereby. However, to the extent that any provision of any Note conflicts with the express provisions of this Indenture, the provisions of this Indenture will govern and control.

(b) Initial and Subsequent Notes. The Notes initially will be issued in global form, registered in the name of Cede & Co., as the nominee of the Depositary, and deposited with the Trustee, at its Corporate Trust Office, as custodian for the Depositary. Except to the extent provided in Section 2.09(c) hereof, all Notes will be represented by one or more Global Notes.

(c) Global Notes. Each Global Note will represent the aggregate principal amount of then outstanding Notes endorsed thereon and provide that it represents such aggregate principal amount of then outstanding Notes, which aggregate principal amount may, from time to time, be reduced or increased to reflect transfers, exchanges, conversions, redemptions or repurchases by the Company.

Only the Trustee, or the custodian holding such Global Note for the Depositary, at the direction of the Trustee, may endorse a Global Note to reflect the amount of any increase or decrease in the aggregate principal amount of then outstanding Notes represented thereby, and whenever the Holder of a Global Note delivers instructions to the Trustee to increase or decrease the aggregate principal amount of then outstanding Notes represented by a Global Note in accordance with Section 2.09 hereof, the Trustee, or the custodian holding such Global Note for the Depositary, at the direction of the Trustee, will endorse such Global Note to reflect such increase or decrease in the aggregate principal amount of then outstanding Notes represented thereby. None of the Trustee, the Paying Agent, the Registrar, the Conversion Agent, the Collateral Agent, the Company, the Guarantors or any agent of the Trustee, the Paying Agent, the Registrar, the Conversion Agent, the Collateral Agent, the Company or the Guarantors will have any responsibility or bear any liability or any obligation to any Agent Members or any other Person on whose behalf Agent Members may act with respect to (i) any aspect of the records relating to, or payments made on account of, the ownership of any beneficial interest in a Global Note (ii) any notice required hereunder, (iii) with respect to maintaining, supervising or reviewing any records relating to such beneficial interest, or (iv) any actions taken or not taken by any Agent Members.

Neither any member of, or participant in, the Depositary (collectively, the "**Agent Members**") nor any other Person on whose behalf an Agent Member may act will have any rights under this Indenture with respect to any Global Note or under such Global Note, and the Company, the Guarantors, the Trustee, the Paying Agent, the Registrar, the Conversion Agent, the Collateral Agent and any agent of the Company, the Guarantors, the Trustee, the Paying Agent, the Registrar, the Conversion Agent, or the Collateral Agent, may, for all purposes, treat the Depositary, or its nominee, if any, as the absolute owner and Holder of such Global Note.

The Holder of a Global Note may grant proxies and otherwise authorize any Person, including Agent Members and Persons that may hold interests through Agent Members, to take any action that such Holder is entitled to take under this Indenture or the Notes with respect to such Global Note, and, notwithstanding the foregoing, nothing herein will prevent the Company, the Guarantors, the Trustee, the Collateral Agent, the Paying Agent, the Registrar, the Conversion Agent or any agent of the Company, the Guarantors, the Trustee, the Collateral Agent, the Registrar, the Conversion Agent or the Paying Agent from giving effect to any written certification, proxy or other authorization furnished by such Holder or impair, as between the Depositary, its Agent Members and any other Person on whose behalf an Agent Member may act, the operation of their respective customary practices governing the exercise of the rights of a Holder of any interest in any Global Note.

Section 2.03. *Denomination of Notes*. The Notes will be issuable in registered form without coupons in minimum denominations of $1,000 principal amount and in integral multiples of $1,000 in excess thereof.

Section 2.04. *Payments.*

(a) General.

(i) *Payment at Maturity*. Unless earlier paid or deemed paid or converted pursuant to any of Article 3, Section 4.14, Section 10.02 or Article 11 hereof, the Notes will mature on November 15, 2021; *provided, however,* that, unless all of the then-outstanding Existing Convertible Notes (or any Permitted Refinancing Indebtedness in respect thereof) shall have been redeemed, repurchased, otherwise retired, discharged in accordance with their terms or converted into Common Stock, or shall have been Effectively Discharged, in each case on or prior to June 16, 2018 or the scheduled maturity date of the Existing Convertible Notes (or any Permitted Refinancing Indebtedness incurred in respect thereof) is extended to a date that is after February 15, 2022, the Notes will mature on June 15, 2018 (the "**Maturity Date**"), and, on the Maturity Date, the Company will pay each Holder of Notes $1,000 in cash for each $1,000 principal amount of Notes held, together with accrued and unpaid interest to, but not including, the Maturity Date on such Notes. The Company shall deliver an Officers' Certificate to the Trustee at least five (5) Business Days prior to June 15, 2018 advising the Trustee if June 15, 2018 shall be the Maturity Date of the Notes. Unless and until the Trustee receives such an Officers' Certificate, the Trustee shall assume that the Maturity Date is November 15, 2021.

(ii) *Payment of Interest*. Each Note will accrue interest at a rate equal to 7.50% per annum from the most recent date to which interest has been paid or duly provided for, or, if no interest has been paid or duly provided for, from the date provided in the certificate representing such Note until, subject to the provisions of clause (d) of this Section 2.04, the date the principal amount of such Note is paid or deemed paid or (subject to Section 10.02(h)) the Conversion Settlement Date, as the case may be, pursuant to clause (i) of this Section 2.04(a) or any of Article 3, Section 4.14, Section 10.02 or Article 11 hereof.

Interest will be payable semi-annually in arrears on May 15 and November 15 of each year (each, an "**Interest Payment Date**"), beginning May 15, 2017 (or such other date provided for in Section 2.01(b) with respect to Additional Notes issued in accordance with such Section), to the Holder of each such Note as of the Close of Business on the May 1 and November 1, as the case may be, immediately preceding the applicable Interest Payment Date whether or not a Business Day (each such date, a "**Regular Record Date**"), regardless of whether such Note is converted, repurchased or redeemed after such Regular Record Date. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

(iii) Method of Payment.

(A) The Company may elect, by press release, current report on Form 8-K or any other method intended to be public, at least one Business Day prior to the first Trading Day of the 10 Trading Day period referred to below, to pay interest in an amount up to 1.25% per annum in the form of shares of Common Stock on the Interest Payment Date; *provided, however,* that the Company will not have the right to make such election at any time before the NYSE MKT Stockholder Approval has been obtained. Such shares will be valued at a 3.00% discount to the greater of (x) the average VWAP per share of Common Stock during the 10 consecutive trading days ending on, and including, the trading day prior to the date of issuance of such shares; and (y) $0.5595 per share. The Company will issue any such shares of Common Stock in the same manner as provided for "Physical Settlement" upon conversion pursuant to Section 10.02.

(B) In the event the Company elects to pay interest on any Interest Payment Date pursuant to clause (a)(iii)(A) of this Section 2.04, no later than 10 Trading Days prior to the relevant Interest Payment Date, the Company shall deliver to the Trustee, the Paying Agent and the Conversion Agent a Company Order (i) stating that the Company has elected to pay a portion of the interest due on the Notes on such Interest Payment Date in accordance with Section 2.04(a)(iii)(A) of this Indenture, (ii) setting forth the total amount of interest due and payable on such Interest Payment Date, (iii) setting forth the percentage and dollar amount of cash interest to be paid on such Interest Payment Date and (iv) setting forth the percentage and Dollar amount of interest to be paid on such Interest Payment Date in the form of the issuance of Common Shares and that the Company shall cause the Transfer Agent to deliver such Common Shares to the Holders entitled thereto on such Interest Payment Date, upon which such notice the Trustee, the Paying Agent and the Conversion Agent shall be entitled to conclusively rely. The Trustee shall promptly deliver a copy of such notice to the Holders of the Notes.

The Company will pay the principal of, the Fundamental Change Repurchase Price or the Redemption Price for, and the cash portion of any interest on, any Global Note to the Depositary by wire transfer of immediately available funds on the relevant payment date.

The Company will pay the principal of, the Fundamental Change Repurchase Price or Redemption Price for, and any interest due on the Maturity Date on, any Definitive Note in cash to the applicable Holder of such Note at the office of the Paying Agent on the relevant payment date.

The Company will pay the cash portion of interest due, on an Interest Payment Date, on any Definitive Note (except interest due on the Maturity Date) to the applicable Holder of such Note (i) if such Holder holds $5,000,000 or less aggregate principal amount of Notes, by check mailed to such Holder's registered address, and (ii) if such Holder holds more than $5,000,000 aggregate principal amount of Notes, (A) by check mailed to such Holder's registered address or (B) if such Holder delivers, not later than the Regular Record Date relating to such Interest Payment Date, a written request to the Registrar that the Company make such payments by wire transfer to an account of such Holder within the United States, by wire transfer of immediately available funds to such account, which request shall remain in effect until such Holder notifies, in writing, the Registrar to the contrary.

(b) *Interest Rights Preserved*. Subject to the provisions of Section 2.04(d) hereof, and, to the extent applicable, Sections 2.09 and 2.11 hereof, each Note delivered under this Indenture upon registration of transfer of, or in exchange for, or in lieu of, any other Note will carry any rights to the payment and accrual of interest that were carried by the relevant surrendered Note, Notes, or portion(s) thereof.

(c) *Additional Interest and Special Interest*. Pursuant to Section 4.04 and Section 4.03(d) hereof, in certain circumstances, Additional Interest and/or Special Interest will accrue on the Notes. Unless the context requires otherwise, all references in this Indenture to interest on the Notes will include such Additional Interest and/or Special Interest, but will not include any Default Interest payable pursuant to Section 2.04(d) hereof.

(d) *Defaulted Amounts*. Whenever any amount payable on a Note (including the principal of, the Fundamental Change Repurchase Price or Redemption Price for, and interest on, such Note) has become due and payable, but the Company fails to punctually pay or duly provide for such amount (any such amount, a "**Defaulted Amount**"), such Defaulted Amount will forthwith cease to be payable to the Holder of such Note on the relevant payment date by virtue of its having been due such payment on such payment date, but will instead, to the extent permitted under applicable law, accrue interest (including post-petition interest in any proceeding under Bankruptcy Law) ("**Default Interest**") at a rate equal to 10% per annum from, and including, such payment date and to, but excluding, the date on which such Defaulted Amount is paid by the Company in accordance with either clause (i) or (ii) below.

(i) The Company may elect to pay any Defaulted Amount and Default Interest on such Defaulted Amount to the Persons in whose names the Notes (or their respective predecessor Notes) are registered at the Close of Business on a special record date for the payment of such Defaulted Amount and Default Interest (a "**Special Regular Record Date**") fixed in accordance with the following procedures:

(A) At least 30 days before the date on which the Company proposes to pay such Defaulted Amounts and Default Interest thereon, the Company will deliver to the Trustee written notice of (I) the proposed payment date for such Defaulted Amounts and Default Interest thereon and (II) the aggregate amount of such Defaulted Amounts and Default Interest thereon.

(B) Simultaneously with delivering such notice to the Trustee, the Company will either (I) deposit with the Trustee an amount of money, in immediately available funds, equal to the aggregate amount of such Defaulted Amounts and Default Interest thereon, or (II) take other actions that the Trustee deems reasonably satisfactory to ensure that an amount of money, in immediately available funds, equal to the aggregate of such Defaulted Amounts and Default Interest thereon will be deposited with the Trustee by 10:00 a.m., New York City time, on the proposed payment date, and in either case, upon receipt of such money, the Trustee will hold such money in trust for the benefit of the Persons entitled to such Defaulted Amounts and Default Interest pursuant to this Section 2.04(d)(i).

(C) Upon (i) receipt of such notice and (ii) the Company's depositing such money or taking such other actions reasonably satisfactory to the Trustee, the Company will promptly fix a Special Regular Record Date for the payment of such Defaulted Amounts and Default Interest thereon, which Special Regular Record Date will be not more than 15 calendar days and not less than 10 calendar days prior to the proposed payment date, and notify the Trustee of the Special Regular Record Date. The Trustee will then, in the name and at the expense of the Company, deliver notice to each Holder specifying such Special Regular Record Date and the date on which such Defaulted Amounts and Default Interest thereon will be paid by the Company.

(D) After such notice has been delivered by the Trustee, such Defaulted Amounts and Default Interest thereon will be paid to the Persons in whose names the Notes (or their respective predecessor Notes) are registered at the Close of Business on the Special Regular Record Date specified in such notice and such Defaulted Amounts and Default Interest thereon will no longer be payable pursuant to the following clause (ii) of this Section 2.04(d)(i).

(ii) The Company may pay any Defaulted Amounts and Default Interest on such Defaulted Amounts in any other lawful manner that is not inconsistent with the requirements of any securities exchange or automated quotation system on which the Notes are then listed (or, if applicable, have been approved for listing) or designated for issuance, and upon such notice as may be required by such exchange or automated quotation system, if, after notice given by the Company to the Trustee of the proposed payment pursuant to this clause, such manner of payment will be deemed practicable by the Trustee.

Section 2.05. *Execution and Authentication.*

(a) *In General*. A Note will be valid only if executed by the Company and authenticated by the Trustee.

(b) *Execution*. A Note will be deemed to have been executed by the Company when an Officer signs such Note on behalf of the Company. The Officer's signature may be manual or facsimile, and the validity of such Officer's signature will not turn on whether such signatory remains an Officer at the time the Trustee authenticates such Note.

(c) *Authentication*. A Note will be deemed authenticated when an authorized signatory of the Trustee manually signs the certificate of authentication on such Note. An authorized signatory of the Trustee will manually sign the certificate of authentication on a Note only if (i) the Company delivers such Note to the Trustee, (ii) such Note is validly executed by the Company in accordance with Section 2.05(b) hereof, and (iii) the Company delivers, before or with such Note, a Company Order setting forth (A) a request that the Trustee authenticate such Note; (B) the principal amount of such Note; (C) the name of the Holder of such Note, (D) the date on which such Note is to be authenticated; and (E) any insertions, omissions or other variations, notations, legends or endorsements permitted under Section 2.02 hereof and applicable to such Note. If the Company Order also specifies that the Trustee must deliver such Note to any Holder or the Depositary, the Trustee will promptly deliver such Note in accordance with such Company Order. The Trustee may appoint an authenticating agent. If the Trustee appoints an authenticating agent and such authenticating agent is reasonably acceptable to the Company, such authenticating agent may authenticate a Note whenever the Trustee may authenticate such Note. For purposes of this provision, each reference in this Indenture to authentication by the Trustee will be deemed to include authentication by an authenticating agent, and an authenticating agent will have the same rights to deal with the Company as the Trustee would have if it were performing the duties that the authenticating agent was validly appointed to undertake.

Section 2.06. *Registrar, Paying Agent and Conversion Agent.*

(a) *General*. The Company will maintain an office or agency in the continental United States where Notes may be presented for registration of transfer or for exchange (the "**Registrar**"), an office or agency where the Notes may be presented for payment, repurchase or redemption (the "**Paying Agent**"), an office or agency where the Notes may be presented for conversion (the "**Conversion Agent**") and an office or agency where notices and demands to, or upon, the Company with respect to the Notes and this Indenture (other than the type contemplated by Section 15.14) may be served.

The Registrar will keep a register for the recordation of, and will record, the names and addresses of Holders, the Notes held by each Holder and the transfer, exchange, repurchase, redemption and conversion of Notes (the "**Register**"). Absent manifest error, the entries in the Register will be conclusive and the parties may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Holder hereunder for all purposes of this Indenture. The Register will be in written form or in any form capable of being converted into written form within a reasonably prompt period of time. The Company may have one or more registrars, one or more paying agents, one or more conversion agents and one or more places where notices and demands to, or upon, the Company with respect to the Notes and this Indenture may be served. Before appointing any Registrar, Paying Agent or Conversion Agent that is not otherwise a party to this Indenture, the Company will enter into an appropriate agency agreement with such Registrar, Paying Agent or Conversion Agent, as the case may be, which agency agreement will implement the provisions of this Indenture that relate to such replacement or additional registrar, paying agent or conversion agent, as the case may be. The term Registrar includes any additional registrars named pursuant to this Indenture. The term Paying Agent includes any additional paying agent named pursuant to this Indenture. The term Conversion Agent includes any additional conversion agent named pursuant to this Indenture. Upon the occurrence of any Event of Default under Section 6.01(a)(xiii) or 6.01(a)(xiv) with respect to the Company, the Trustee shall be the Paying Agent.

(b) *Initial Designations*. The Company initially appoints the Trustee as each of the Registrar, the Paying Agent, and the Conversion Agent, and the Notes initially may be presented for registration of transfer or for exchange, payment, repurchase, redemption and conversion to the Trustee, in its capacity as the Registrar, Paying Agent or Conversion Agent, as the case may be, at the Corporate Trust Office. Notices and demands to, or upon, the Company with respect to the Notes and this Indenture may be served at the Corporate Trust Office.

(c) *Removal, Resignation and Replacement*. The Company may remove any Registrar, Paying Agent or Conversion Agent by delivering written notice to the Trustee and to such Registrar, Paying Agent or Conversion Agent; *provided*, *however*, that no such removal will become effective unless (i) after such removal, at least one Registrar, Paying Agent and Conversion Agent will remain; (ii) a successor has accepted appointment as Registrar, Paying Agent or Conversion Agent, as the case may be, the Company and such successor have entered into an agency agreement in accordance with Section 2.06(a) hereof, and the Company has delivered written notice of such appointment and a copy of such agency agreement to the Trustee, or (iii) the Company has delivered written notice to the Trustee that the Trustee will serve as the successor Registrar, Paying Agent or Conversion Agent, as the case may be, in accordance with Section 2.06(d) hereof; and *provided*, *further*, that the right to effect any such change or removal in no way relieves the Company of its obligation to maintain a Registrar, Paying Agent and Conversion Agent in the continental United States. The Company may also change the place where notices and demands to, or upon, the Company with respect to the Notes and this Indenture may be served, or reduce the number of such places; *provided*, *however*, that the right to effect any such change or reduction in no way relieves the Company of its obligation to maintain a place in the continental United States where notices and demands to, or upon, the Company with respect to the Notes and this Indenture may be served.

In addition, the Registrar, Paying Agent or Conversion Agent may resign at any time by delivering written notice of such resignation to each of the Company and the Trustee.

(d) *Failure to Maintain an Office or Agency*. If the Company fails to maintain in the continental United States, a Registrar, Paying Agent, Conversion Agent or place where notices and demands to, or upon, the Company with respect to the Notes and this Indenture may be served, the Trustee will act as the Registrar, Paying Agent, Conversion Agent, or place, as the case may be, and the office where the Notes may be presented for registration of transfer or for exchange, presented for payment, repurchase or redemption or surrendered for conversion, or place where notices and demands to, or upon, the Company with respect to the Notes and this Indenture may be served, as the case may be, will be the Corporate Trust Office. In each such case, the Trustee will be entitled to compensation for such action pursuant to Section 7.06 hereof.

(e) *Notices*. Promptly upon the effectiveness of any removal or appointment of a Registrar, Paying Agent or Conversion Agent, or upon any change in the location of the office of any Registrar, Paying Agent or Conversion Agent, or of the place where notices and demands to, or upon, the Company with respect to the Notes and this Indenture may be served, the Company will deliver to each Holder notice of such removal, appointment or change in location, as the case may be, which notice will include a brief description of the removal, appointment or change in location, as the case may be, and list the name and address of each continuing (and newly appointed, if applicable) Registrar, Paying Agent and Conversion Agent and place where notices and demands to, or upon, the Company with respect to the Notes and this Indenture may be served.

Section 2.07. *Money and Securities Held in Trust.*

Except as otherwise provided herein, by no later than 10:00 a.m., New York City time, on each due date for a payment on any Note, the Company will deposit with the Paying Agent an amount of money in immediately available funds sufficient to make such payment when due.

The Company will require that each Paying Agent (other than the Trustee, if the Trustee is a Paying Agent) agree in writing that it will (i) segregate all money and securities it holds for making payments with respect to the Notes; (ii) hold such money and securities in trust for the benefit of Holders; and (iii) notify the Trustee, in writing, as promptly as practicable, if the Company defaults in making any payment on the Notes.

If any such default has occurred and is continuing, the Paying Agent will, upon receiving a written request from the Trustee, forthwith pay to the Trustee all of the money and securities it holds in trust. In addition, at any time, the Company may require a Paying Agent to pay all money and securities that it holds for making payments with respect to the Notes to the Trustee and to account for any money and securities it has disbursed. After delivering all of such money and securities to the Trustee pursuant to this Section 2.07, the Paying Agent (in its capacity as such) will have no further liability for such money and securities.

Section 2.08. *Holder Lists.*

The Trustee will preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of Holders. If the Trustee is not the Registrar, the Company will furnish to the Trustee, (i) within five Business Days after each Regular Record Date, a list of the names and addresses of Holders as of such Regular Record Date, and (ii) at such other times as the Trustee may request in writing, within 30 days after receipt by the Company of such request, a list of the names and addresses of Holders as of no more than 15 days immediately prior to the date such list is furnished, in each case, in such form as the Trustee may reasonably require.

Section 2.09. *Transfer and Exchange.*

(a) Provisions Applicable to All Transfers and Exchanges.

(i) Subject to the restrictions set forth in this Section 2.09, Definitive Notes and beneficial interests in Global Notes may be transferred or exchanged from time to time as desired, and each such transfer or exchange will be noted by the Registrar in the Register.

(ii) All Notes issued upon any registration of transfer or exchange in accordance with this Indenture will be the valid obligations of the Company, evidencing the same debt, and entitled to the same benefits under this Indenture as the Notes surrendered upon such registration of transfer or exchange.

(iii) No service charge will be imposed on any Holder of a Definitive Note or any owner of a beneficial interest in a Global Note for any exchange or registration of transfer, but each of the Company, the Trustee or the Registrar may require such Holder or owner of a beneficial interest to pay a sum sufficient to cover any transfer tax, assessment or other governmental charge imposed in connection with such registration of transfer or exchange.

(iv) Unless the Company specifies otherwise, none of the Company, the Trustee, the Registrar or any co-registrar will be required to exchange or register a transfer of any Note (i) surrendered for conversion, except to the extent that any portion of such Note has not been surrendered for conversion, (ii) subject to a Fundamental Change Repurchase Notice validly delivered pursuant to Section 3.01 hereof, except to the extent any portion of such Note is not subject to a Fundamental Change Repurchase Notice or the Company fails to pay the applicable Fundamental Change Repurchase Price when due or (iii) after the Company has delivered a Redemption Notice pursuant to Section 11.02 hereof, except to the extent the Company fails to pay the applicable Redemption Price when due.

(v) None of the Trustee, the Registrar or the Conversion Agent will have any obligation or duty to monitor, determine or inquire as to compliance with any restrictions on Transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Note (including any transfers between or among Depositary participants or beneficial owners of interests in any Global Note) other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by the terms of this Indenture, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

(b) *In General; Transfer and Exchange of Beneficial Interests in Global Notes*. So long as the Notes are eligible for book-entry settlement with the Depositary (unless otherwise required by law and except to the extent required by Section 2.09(c) hereof):

(i) all Notes will be represented by one or more Global Notes;

(ii) every transfer and exchange of a beneficial interest in a Global Note will be effected through the Depositary in accordance with the Applicable Procedures and the provisions of this Indenture (including the restrictions on Transfer set forth in Section 2.10 hereof); and

(iii) each Global Note may be transferred only as a whole and only (A) by the Depositary to a nominee of the Depositary, (B) by a nominee of the Depositary to the Depositary or to another nominee of the Depositary, or (C) by the Depositary or any such nominee to a successor Depositary or a nominee of such successor Depositary.

(c) Transfer and Exchange of Global Notes.

(i) Notwithstanding any other provision of this Indenture, each Global Note will be exchanged for Definitive Notes if the Depositary delivers notice to the Company that:

(A) the Depositary is unwilling or unable to continue to act as Depositary; or

(B) the Depositary is no longer registered as a clearing agency under the Exchange Act,

(C) and , in each case, the Company promptly delivers a copy of such notice to the Trustee and the Company fails to appoint a successor Depositary within 90 days after receiving notice from the Depositary.

(ii) In addition:

(A) if an Event of Default has occurred and is continuing, any owner of a beneficial interest in a Global Note may exchange such beneficial interest for Definitive Notes by delivering a written request to the Company, the Registrar and the Trustee; or

(B) at any time, the Company may, in its sole discretion, at the request of the owner of a beneficial interest in a Global Note, permit the exchange of such owner's beneficial interest, by delivering a written request to the Registrar, the Trustee and the owner of such beneficial interest.

In each such case, (1) each Global Note will be deemed surrendered to the Trustee for cancellation, (2) the Trustee will promptly cancel each such Global Note in accordance with the Applicable Procedures, (3) the Company, (x) in accordance with Section 2.05 hereof, will promptly execute, for each beneficial interest in each Global Note so cancelled, an aggregate principal amount of Definitive Notes equal to the aggregate principal amount of such beneficial interest, registered in such name and authorized denominations as the Depositary specifies, and bearing such legends as such Definitive Notes are required to bear under Section 2.02 and Section 2.10 hereof, and, (y) as provided in Section 2.05(c) hereof, will promptly deliver to the Trustee such Definitive Notes and a Company Order including the information specified in Section 2.05(c) hereof with respect to such Definitive Notes, and (4) the Trustee, upon receipt of such Definitive Notes and such Company Order, in accordance with Section 2.05 hereof, will promptly authenticate, and deliver to the Holder specified in such Company Order, such Definitive Notes.

(d) *Transfer and Exchange of Definitive Notes*. If Definitive Notes are issued, a Holder may:

(i) transfer a Definitive Note by: (A) surrendering such Definitive Note for registration of transfer to the Registrar, together with any endorsements or instruments of transfer reasonably required by any of the Company, the Trustee and the Registrar; (B) if such Definitive Note is a Restricted Note, delivering any documentation that the Company may reasonably require to ensure that such transfer complies with Section 2.10 hereof and any applicable securities laws; and (C) satisfying any other requirements for such transfer set forth in this Section 2.09 and Section 2.10 hereof. Upon the satisfaction of conditions (A), (B) and (C), (1) the Company, (x) in accordance with Section 2.05 hereof, will promptly execute a new Definitive Note, in the name of the designated transferee, having an aggregate principal amount equal to that of the transferred Definitive Note and bearing such legends as such Definitive Note is required to bear under Sections 2.02 and 2.10 hereof, and (y) as provided in Section 2.05(c) hereof, will promptly deliver to the Trustee such Definitive Note and a Company Order including the information specified in Section 2.05(c) with respect to such Definitive Note, and (2) the Trustee, upon receipt of such Definitive Note and such Company Order, will promptly, in accordance with Section 2.05 hereof, authenticate, and deliver to the Holder specified in such Company Order, such Definitive Note;

(ii) exchange one or more Definitive Notes for one or more other Definitive Notes of any authorized denominations, and in aggregate principal amount equal to the aggregate principal amount of the one or more Definitive Notes to be exchanged, by surrendering such one or more Definitive Notes, together with any endorsements or instruments of transfer reasonably required by any of the Company, the Trustee and the Registrar, at any office or agency maintained by the Company for such purposes pursuant to Section 2.06 hereof. Whenever a Holder so surrenders one or more Definitive Notes for exchange, (1) the Company, (x) in accordance with Section 2.05 hereof, will promptly execute one or more new Definitive Notes, each in the name of such Holder, in the authorized denomination or denominations that such Holder requested (which authorized denomination or authorized denominations, as the case may be, must, in aggregate, equal the aggregate principal amount of the one or more Definitive Notes to be exchanged), and bearing a unique registration number not contemporaneously outstanding and such legends as such Definitive Note is required to bear under Sections 2.02 and 2.10 hereof, and (y) as provided in Section 2.05(c) hereof, will promptly deliver to the Trustee each such Definitive Note and a Company Order including the information specified in Section 2.05(c) with respect to each such Definitive Note, and (2) the Trustee, upon receipt of each such Definitive Note and such Company Order, will promptly, in accordance with Section 2.05 hereof, authenticate, and deliver to the Holder specified in such Company Order, each such Definitive Note; and

(iii) if then permitted by the Applicable Procedures, transfer or exchange a Definitive Note for a beneficial interest in a Global Note by (A) surrendering such Definitive Note for registration of transfer or exchange, together with any endorsements or instruments of transfer reasonably required by any of the Company, the Trustee and the Registrar, at any office or agency maintained by the Company for such purposes pursuant to Section 2.06 hereof; (B) if such Definitive Note is a Restricted Note, delivering any documentation that any of the Company requires to ensure that such transfer complies with Section 2.10 hereof and any applicable securities laws; (C) satisfying any other requirements for such transfer set forth in this Section 2.09 and Section 2.10 hereof; and (D) providing written instructions to the Trustee to make an adjustment in its books and records with respect to the applicable Global Note to reflect an increase in the aggregate principal amount of the Notes represented by such Global Note, which instructions will contain information regarding the Depositary account to be credited with such increase. Upon the satisfaction of conditions (A), (B), (C) and (D), the Trustee (1) will promptly cancel such Definitive Note and, (2) will promptly cause the aggregate principal amount of Notes represented by such Global Note to be increased by the aggregate principal amount of such Definitive Note, and credit, or cause to be credited, the account of the Person specified in the instructions provided by the exchanging Holder in an amount equal to the aggregate principal amount of such Definitive Note, in each case, in accordance with the Applicable Procedures. If at the time of such exchange, a Depositary has been appointed but no Global Notes are then outstanding, the Company, (x) in accordance with Section 2.05 hereof, will promptly execute and deliver to the Trustee, a new Global Note registered in the name of the Depositary or a nominee of the Depositary, as the case may be, having the appropriate aggregate principal amount, and bearing such legends as such Global Note is required to bear under Sections 2.02 and 2.10 hereof, and (y) as provided in Section 2.05(c) hereof, will promptly deliver to the Trustee such Global Note and a Company Order including the information specified in Section 2.05(c) with respect to such Global Note, and (2) the Trustee, upon receipt of such Global Note and such Company Order, will promptly, in accordance with Section 2.05 hereof, authenticate, and deliver to the Depositary, its nominee, or a custodian of the Depositary or its nominee, as the case may be, such Global Note.

Section 2.10. *Transfer Restrictions.*

(a) Restricted Notes.

(i) *General*. Each Note (and every security issued in exchange therefor or substitution thereof, that bears, or that is required under this Section 2.10 to bear, the Restricted Notes Legend will be deemed a "**Restricted Note**," and will be subject to the restrictions on Transfer set forth in this Indenture unless such restrictions on Transfer are eliminated or otherwise waived by written consent of the Company and notified to the Trustee in writing, and each Holder of a Restricted Note, by such Holder's acceptance of such Restricted Note, will be deemed to be bound by the restrictions on Transfer applicable to such Note.

(ii) *When Restrictions Apply*. Except as provided elsewhere in this Indenture (including clause (iii) of this Section 2.10(a)), until the Free Trade Date of a Note, every certificate evidencing such Note (and every security issued in exchange therefor or substitution thereof) will bear the Restricted Notes Legend unless:

(A) such Note is being Transferred to a Person (other than (x) the Company or (y) an "affiliate" (as defined in Rule 144) of the Company) pursuant to a registration statement that was effective under the Securities Act at the time of such Transfer; or

(B) such Note is being Transferred to a Person (other than (x) the Company or (y) an "affiliate" (as defined in Rule 144) of the Company) pursuant to an available exemption from the registration requirements of the Securities Act (including Rule 144) and, after such Transfer, such Note will no longer constitute "a restricted security" (within the meaning of Rule 144),

and, in case (B), the Holder effecting such Transfer delivers to the Trustee, the Company and the Registrar any documents or evidence reasonably required pursuant to this Indenture (including clause (iii) of this Section 2.10(a)). For the avoidance of doubt, because the Free Trade Date for the Exchange Notes is the Issue Date, the Exchange Notes are not Restricted Notes on the Issue Date and shall not be required to bear the Restricted Notes Legend. The Exchange Notes are Freely Tradeable in accordance with Section 2.09 and not subject to the restrictions set forth in this Section 2.10.

(iii) Termination of Transfer Restrictions; Removal of Restricted Notes Legend.

(A) Except as otherwise provided in this Indenture (including clause (B) of this Section 2.10(a)(iii)), if a Holder requests that the Company remove the Restricted Notes Legend from a Note that is a Restricted Note, the Restricted Notes Legend will not be removed from such Restricted Note unless such Holder delivers, (1) to each of the Company and the Registrar a transfer certificate in the form attached as Exhibit B hereto and, (2) to each of the Company, the Registrar and the Trustee, any evidence that the Company may reasonably require that (x) neither the Restricted Notes Legend nor the Transfer restrictions set forth therein are required to ensure that Transfers of such Restricted Note will comply with applicable law and (y) after such Transfer, such Restricted Note will not be a "restricted security" (within the meaning of Rule 144); *provided*, *however*, that, upon provision of such required transfer certificate and evidence, the Company, the Trustee and the Registrar will permit such Restricted Note to be exchanged or Transferred in accordance with Section 2.10(a)(ii)(A) or (B) for one or more new Definitive Notes or beneficial interests in a Global Note, of like tenor and aggregate principal amount, that do/does not bear the Restricted Notes Legend in accordance with Section 2.09. In addition, upon receipt by the Trustee and the Registrar of a Company Order specifying that a Note need not bear the Restricted Notes Legend to comply with applicable law, each of the Trustee and the Registrar will permit such Note to be exchanged for one or more new Notes, of like tenor and aggregate principal amount, that do not bear the Restricted Notes Legend.

(B) At any time on or after the Free Trade Date with respect to a Restricted Note, the Company shall de-legend such Note by:

(1) providing written notice to the Trustee and the Registrar that the Free Trade Date has occurred and instructing the Trustee to remove the Restricted Notes Legend from such Notes;

(2) providing written notice to each Holder of any of such Notes, which notice will state that the Restricted Notes Legend has been removed from the applicable Note and include the unrestricted CUSIP that will thereafter apply to such applicable Note;

(3) providing written notice to the Trustee and the Depositary (in the case of a Global Note) that the CUSIP number for each such Note will be changed to an unrestricted CUSIP number, which unrestricted CUSIP number will be listed in such notice; and

(4) in the case of a Global Note, complying with any Applicable Procedures for de-legending.

(b) *Restricted Stock*.

(i) *General*. If any shares of Common Stock are issued upon conversion of any Restricted Notes or otherwise in respect of any Restricted Notes, and such shares of Common Stock are issued prior to the relevant Free Trade Date, then any certificate representing such shares of Common Stock will, upon such issuance, bear the Restricted Stock Legend, unless such requirement is eliminated or otherwise waived by written consent of the Company.

(ii) *When Restrictions Apply*. Except as provided elsewhere in this Indenture (including clause (iii) of this Section 2.10(b)), until the relevant Free Trade Date, every certificate evidencing any shares of Common Stock issued upon conversion of any Restricted Notes or otherwise in respect of any Restricted Notes will bear the Restricted Stock Legend unless:

(A) such shares are being Transferred to a Person (other than (x) the Company or (y) an “affiliate” (as defined in Rule 144) of the Company) pursuant to a registration statement that was effective under the Securities Act at the time of such Transfer; or

(B) such shares are being Transferred to a Person (other than (x) the Company or (y) an "affiliate" (as defined in Rule 144) of the Company) pursuant to an available exemption from the registration requirements of the Securities Act (including Rule 144) and, after such Transfer, such shares will no longer constitute "restricted securities" (within the meaning of Rule 144),

and, in case (B), the Person effecting such Transfer delivers to the Company and the Transfer Agent any documents or evidence reasonably required pursuant to this Indenture (including clause (iii) of this Section 2.10(b)).

(iii) Termination of Transfer Restrictions.

(A) Except as otherwise provided in this Indenture (including clause (B) of this Section 2.10(b)(iii)), if a holder of any shares of Common Stock that contain the Restricted Stock Legend requests that the Company remove the Restricted Stock Legend from such shares, the Restricted Stock Legend will not be removed from such shares unless such holder delivers to each of the Company and the Transfer Agent any evidence that the Company or the Transfer Agent may reasonably require that (x) neither the Restricted Stock Legend nor the Transfer restrictions set forth therein are required to ensure that Transfers of such shares will comply with applicable law and (y) after such Transfer, such shares will not be "restricted securities" (within the meaning of Rule 144); *provided*, *however*, that, upon provision of such evidence, the Company shall cause the Restricted Stock Legend to be removed from such shares; *provided, further,* that such evidence shall not be required in connection with any Transfer of such shares to a Person (other than the Company or an "affiliate" (as defined in Rule 144) of the Company) pursuant to a registration statement that was effective under the Securities Act at the time of such Transfer and, upon such Transfer, the Company shall cause the Restricted Stock Legend to be removed from such shares.

(B) On the Free Trade Date with respect to any shares of Common Stock that bear the Restricted Stock Legend, the Company shall cause the Restricted Stock Legend to be removed from such shares.

Section 2.11. *Replacement Notes.*

If (a)(i) a mutilated Note is surrendered to the Registrar or (ii) the Holder of a Note claims that such Note has been lost, destroyed or stolen and provides the Company and the Trustee with (A) evidence of such loss, theft or destruction that is reasonably satisfactory to the Company and the Trustee and (B) any amount or kind of security or indemnity that either of the Company or the Trustee reasonably request to protect itself from any loss that it may suffer upon replacement of such Note, and, in either case, (b) such Holder satisfies any other reasonable requirements of the Trustee, including the payment of any tax or other governmental charge that may be imposed in connection with the replacement of such Note, then, unless the Company or the Trustee receives notice that such Note has been acquired by a bona fide purchaser, the Company will, in accordance with Section 2.05 hereof, promptly execute and deliver to the Trustee, and the Trustee, upon receipt of a Company Order, in accordance with Section 2.05 hereof, and the documents required by Sections 15.03 and 15.04 hereof, will promptly authenticate and deliver, in the name of such Holder, a replacement Note having the same aggregate principal amount as the Note that was mutilated or claimed to be lost, destroyed or stolen, bearing any restrictive legends required by Section 2.02 or 2.10 hereof and with a certificate number not contemporaneously outstanding.

Every new Note issued pursuant to this Section 2.11 in exchange for any mutilated Note, or in lieu of any destroyed, lost or stolen Note, will constitute an original contractual obligation of the Company and any other obligor upon the Notes, regardless of whether the mutilated, destroyed, lost or stolen Note will be at any time enforceable by anyone, and will be entitled to all benefits of (and will be subject to all the limitations set forth in) this Indenture equally and proportionately with any and all other Notes duly issued hereunder.

Section 2.12. *Temporary Notes*. Until Definitive Notes are ready for delivery, the Company may execute and the Trustee or an authenticating agent appointed by the Trustee will, upon written request of the Company, authenticate and deliver temporary Notes (printed or lithographed) ("**Temporary Notes**"). Temporary Notes will be issuable in any authorized denomination, and substantially in the form of Definitive Notes, but with such omissions, insertions and variations as may be appropriate for Temporary Notes, all as may be determined by the Company. Every such Temporary Note will be executed by the Company and authenticated by the Trustee or such authenticating agent upon the same conditions and in substantially the same manner, and with the same effect, as the Definitive Notes. Without unreasonable delay the Company will prepare, execute and deliver to the Trustee or such authenticating agent Definitive Notes (other than any Global Note) and thereupon any or all Temporary Notes (other than any Global Note) may be surrendered in exchange therefor, at each office or agency maintained by the Company pursuant to Section 2.06 hereof and the Trustee or such authenticating agent will authenticate and deliver in exchange for such Temporary Notes Definitive Notes having an aggregate principal amount equal to such Temporary Notes. Such exchange will be made by the Company at its own expense and without any charge therefor. Until so exchanged, the Temporary Notes will, in all respects, be entitled to the same benefits and subject to the same limitations under this Indenture as Definitive Notes authenticated and delivered hereunder.

Section 2.13. *Cancellation*. At any time, the Company may deliver Notes to the Trustee for cancellation. Whenever any Note is surrendered to the Registrar, Conversion Agent or Paying Agent for registration of transfer, exchange, conversion, repurchase, redemption or payment, the Registrar, Conversion Agent or Paying Agent, as the case may be, will promptly forward such Note to the Trustee. Upon receipt of any such Note, the Trustee, in its customary manner, will promptly cancel and dispose of such Note. The Company may not issue new Notes to replace Notes that it has repurchased, redeemed, paid or delivered to the Trustee for cancellation or that a Holder has converted pursuant to Article 10 hereof.

Section 2.14. *Outstanding Notes*. At any time, Notes outstanding are limited to all Notes authenticated by the Trustee except (i) those cancelled by it, (ii) those delivered to it for cancellation and (iii) those deemed not outstanding under Sections 3.03, 4.15 or 10.02 or Article 11 hereof and clauses (a) and (b) of this Section 2.14.

(a) If a Note is replaced pursuant to Section 2.11 hereof, such Note will cease to be outstanding at the time of its replacement unless the Trustee and the Company receive proof satisfactory to them that such Note is held by a bona fide purchaser.

(b) In addition, if the Company, any other obligor or an Affiliate of the Company or an Affiliate of such other obligor holds a Note, such Note will be disregarded and deemed not to be outstanding for purposes of determining whether the Holders of the requisite aggregate principal amount of Notes have given or concurred in any request, demand, authorization, direction, notice, consent, waiver or other action hereunder except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Notes which a Trust Officer of the Trustee assigned to this transaction has been notified in writing to be so owned shall be so disregarded. Subject to the foregoing, only Notes outstanding at the time of any such determination will be considered in such determination (including determinations pursuant to Article 6 and Article 9 hereof).

Section 2.15. *Persons Deemed Owners*. Prior to due presentment of a Note for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name such Note is registered in the Register as the owner of such Note for the purpose of receiving the payment of the principal, Fundamental Change Repurchase Price or Redemption Price of, and interest, if any, on, such Note, for the purpose of conversion of such Note and for all other purposes whatsoever with respect to such Note, and none of the Company, the Trustee or any agent of the Company or the Trustee will be affected by any notice to the contrary.

Section 2.16. *Repurchases*. The Company may, from time to time, repurchase Notes in open market purchases or in negotiated transactions without delivering prior notice to Holders.

Section 2.17. *CUSIP and ISIN Numbers.*

(a) Whenever “CUSIP” and “ISIN” numbers are generally in use, the Company will use CUSIP and ISIN numbers with respect to the Notes, which CUSIP and ISIN numbers (i) for Restricted Notes, will be restricted numbers, and (ii) for Notes that are not Restricted Notes, will be unrestricted numbers. Whenever the Company uses CUSIP and ISIN numbers, the Trustee will also use CUSIP and ISIN numbers in each notice it delivers to the Holders; *provided* that neither the Company nor the Trustee will be responsible for any defect in any CUSIP or ISIN number that appears on any Note, check, advice of payment or notice, including any notice delivered pursuant to Section 11.03. The Company will promptly notify the Trustee in writing in the event of any change in the CUSIP or ISIN numbers.

(b) In addition, if, when any shares of Common Stock are issued upon conversion of a Note or otherwise in respect of a Note, CUSIP and ISIN numbers are generally in use, the Company will use CUSIP and ISIN numbers with respect to such shares of Common Stock, which CUSIP and ISIN numbers (i) for shares of Common Stock to which the restrictions on Transfer set forth in the Restricted Stock Legend apply, will be restricted numbers, and (ii) for shares of Common Stock to which the restrictions on Transfer set forth in the Restricted Stock Legend do not apply, will be unrestricted numbers.

(c) Whenever any of the CUSIP or ISIN numbers with respect to the Notes or the shares of Common Stock issuable upon conversion of the Notes or otherwise in respect of the Notes change, cease to be used, or begin to be used, the Company will deliver prompt written notice of such change, cessation, or beginning to each of the Trustee and the Holders.

Section 2.18. *Contingent Payment Debt Instrument Status*. Each Holder, by reason of its purchase of the Notes, agrees (a) to treat the Notes as indebtedness subject to the U.S. Treasury Regulations governing contingent payment debt instruments, (b) to report original issue discount and interest on the Notes in accordance with the Company's determination of both the "comparable yield" and "projected payment schedule" for the Notes and (c) to be bound by the Company's application of the U.S. Treasury Regulations that govern contingent payment debt instruments. For this purpose, the "comparable yield" and "projected payment schedule" for the Notes may be obtained by contacting the Company at the address set forth in Section 15.02 hereof.

Article 3
REPURCHASE AT THE OPTION OF THE HOLDER

Section 3.01. *Repurchase at Option of Holders Upon a Fundamental Change*. (a) If a Fundamental Change occurs at any time, each Holder shall have the right, at such Holder's option, to require the Company to repurchase for cash all of such Holder's Notes, or any portion thereof that is equal to $1,000 or an integral multiple of $1,000, on the date (the "**Fundamental Change Repurchase Date**") specified by the Company that is not less than 20 Business Days or more than 35 Business Days following the date of the Fundamental Change Company Notice at a repurchase price equal to 100% of the principal amount thereof, plus accrued and unpaid interest thereon to, but excluding, the Fundamental Change Repurchase Date (the "**Fundamental Change Repurchase Price**"), unless the Fundamental Change Repurchase Date falls after a Regular Record Date but on or prior to the Interest Payment Date to which such Regular Record Date relates, in which case the Company shall instead pay, on or before such Interest Payment Date, the full amount of accrued and unpaid interest to Holders of record as of such Regular Record Date, and the Fundamental Change Repurchase Price shall be equal to 100% of the principal amount of Notes to be repurchased pursuant to this Article 3.

(b) Repurchases of Notes under this Section 3.01 shall be made, at the option of the Holder thereof, upon:

(i) delivery to the Paying Agent by a Holder of a duly completed notice (the "**Fundamental Change Repurchase Notice**") in the form titled "Option of Holder to Elect Purchase" in Exhibit A hereto, if the Notes are Definitive Notes, or in compliance with the Depositary's procedures for surrendering interests in Global Notes, if the Notes are Global Notes, in each case on or before the Close of Business on the Business Day immediately preceding the Fundamental Change Repurchase Date; and

(ii) delivery of the Notes, if the Notes are Definitive Notes, to the Paying Agent at any time after delivery of the Fundamental Change Repurchase Notice (together with all necessary endorsements for transfer) at the Corporate Trust Office of the Paying Agent, or book-entry transfer of the Notes, if the Notes are Global Notes, in compliance with the Applicable Procedures, in each case such delivery being a condition to receipt by the Holder of the Fundamental Change Repurchase Price therefor.

The Fundamental Change Repurchase Notice in respect of any Notes to be repurchased shall state:

(i) in the case of Definitive Notes, the certificate numbers of the Notes to be delivered for repurchase;

(ii) the portion of the principal amount of Notes to be repurchased, which must be $1,000 or an integral multiple thereof; and

(iii) that the Notes are to be repurchased by the Company pursuant to the applicable provisions of the Notes and this Indenture;

provided, *however*, that if the Notes are Global Notes, the Fundamental Change Repurchase Notice must comply with appropriate Depositary procedures.

Notwithstanding anything herein to the contrary, any Holder delivering to the Paying Agent the Fundamental Change Repurchase Notice contemplated by this Section 3.01 shall have the right to withdraw, in whole or in part, such Fundamental Change Repurchase Notice at any time prior to the Close of Business on the Business Day immediately preceding the Fundamental Change Repurchase Date by delivery of a notice of withdrawal to the Paying Agent in accordance with Section 3.02.

The Paying Agent shall promptly notify the Company of the receipt by it of any Fundamental Change Repurchase Notice or notice of withdrawal thereof.

(c) On or before the fifth Business Day after the occurrence of the effective date of a Fundamental Change, the Company shall provide to all Holders of Notes and the Trustee and the Paying Agent (in the case of a Paying Agent other than the Trustee) a notice (the "**Fundamental Change Company Notice**") of the occurrence of the effective date of the Fundamental Change and of the repurchase right at the option of the Holders arising as a result thereof. In the case of Definitive Notes, such notice shall be by first class mail or, in the case of Global Notes, such notice shall be delivered in accordance with the Applicable Procedures. Simultaneously with providing such notice, the Company shall publish a notice containing the information set forth in the Fundamental Change Company Notice in a newspaper of general circulation in The City of New York or publish such information on the Company's website or through such other public medium as the Company may use at that time. Each Fundamental Change Company Notice shall specify:

(i) the events causing the Fundamental Change;

(ii) the effective date of the Fundamental Change;

(iii) the last date on which a Holder may exercise the repurchase right pursuant to this Article 3;

(iv) the Fundamental Change Repurchase Price;

(v) the Fundamental Change Repurchase Date;

(vi) the name and address of the Paying Agent and the Conversion Agent, if applicable;

(vii) if applicable, the Conversion Rate and any adjustments to the Conversion Rate;

(viii) that the Notes with respect to which a Fundamental Change Repurchase Notice has been delivered by a Holder may be converted only if the Holder withdraws the Fundamental Change Repurchase Notice in accordance with the terms of this Indenture; and

(ix) the procedures that Holders must follow to require the Company to repurchase their Notes.

No failure of the Company to give the foregoing notices and no defect therein shall limit the Holders' repurchase rights or affect the validity of the proceedings for the repurchase of the Notes pursuant to this Section 3.01.

At the Company's request, the Trustee shall give such notice in the Company's name and at the Company's expense; *provided*, *however*, that, in all cases, the text of such Fundamental Change Company Notice shall be prepared by the Company; *provided*, *further* that the Company shall have delivered to the Trustee, at least five Business Days before the Fundamental Change Company Notice is required to be given to the Holders (or such shorter period agreed to by the Trustee), an Officer's Certificate requesting that the Trustee give such notice and attaching the form of Fundamental Change Company Notice and including the information required by Section 3.01(c). Neither the Trustee nor the Paying Agent shall be responsible for determining if a Fundamental Change has occurred or for delivering a Fundamental Change Company Notice to Holders or for the content of any Fundamental Change Company Notice.

(d) Notwithstanding the foregoing, no Notes may be repurchased by the Company on any date at the option of the Holders upon a Fundamental Change if the principal amount of the Notes has been accelerated, and such acceleration has not been rescinded, on or prior to such date (except in the case of an acceleration resulting from a Default by the Company in the payment of the Fundamental Change Repurchase Price with respect to such Notes). The Paying Agent will promptly return to the respective Holders thereof any Definitive Notes held by it during the acceleration of the Notes (except in the case of an acceleration resulting from a Default by the Company in the payment of the Fundamental Change Repurchase Price with respect to such Notes), or any instructions for book-entry transfer of the Notes in compliance with the Applicable Procedures shall be deemed to have been cancelled, and, upon such return or cancellation, as the case may be, the Fundamental Change Repurchase Notice with respect thereto shall be deemed to have been withdrawn.

Section 3.02. *Withdrawal of Fundamental Change Repurchase Notice*. A Fundamental Change Repurchase Notice may be withdrawn (in whole or in part) by means of a written notice of withdrawal delivered to the Corporate Trust Office of the Paying Agent in accordance with this Section 3.02 at any time prior to the Close of Business on the Business Day immediately preceding the Fundamental Change Repurchase Date, specifying:

(a) the principal amount of the Notes with respect to which such notice of withdrawal is being submitted,

(b) if Definitive Notes have been issued, the certificate number of the Note in respect of which such notice of withdrawal is being submitted, and

(c) the principal amount, if any, of such Note that remains subject to the original Fundamental Change Repurchase Notice, which portion must be in principal amounts of $1,000 or an integral multiple of $1,000;

provided, *however*, that if the Notes are Global Notes, the notice must comply with Applicable Procedures.

Section 3.03. *Deposit of Fundamental Change Repurchase Price*. (a) The Company shall deposit with the Trustee (or other Paying Agent appointed by the Company, or if the Company is acting as its own Paying Agent, set aside, segregate and hold in trust as provided in Section 2.07) on or prior to 10:00 a.m., New York City time, on the Fundamental Change Repurchase Date an amount of money sufficient to repurchase all of the Notes to be repurchased at the appropriate Fundamental Change Repurchase Price. Subject to receipt of funds and/or Notes by the Trustee (or other Paying Agent appointed by the Company), payment for Notes surrendered for repurchase (and not withdrawn prior to the Close of Business on the Business Day immediately preceding the Fundamental Change Repurchase Date) will be made on the later of (i) the Fundamental Change Repurchase Date (provided the Holder has satisfied the conditions in Section 3.01) and (ii) the time of book-entry transfer or the delivery of such Note to the Trustee (or other Paying Agent appointed by the Company) by the Holder thereof in the manner required by Section 3.01 by mailing checks for the amount payable to the Holders of such Notes entitled thereto as they shall appear in the Register; *provided*, however, that payments to the Depositary shall be made by wire transfer of immediately available funds to the account of the Depositary or its nominee. The Trustee shall, promptly after such payment and upon written demand by the Company, return to the Company any funds in excess of the Fundamental Change Repurchase Price.

(b) If by 10:00 a.m. New York City time, on the Fundamental Change Repurchase Date, the Trustee (or other Paying Agent appointed by the Company) holds money sufficient to make payment on all the Notes or portions thereof that are to be repurchased on such Fundamental Change Repurchase Date, then, with respect to the Notes that have been properly surrendered for repurchase and have not been validly withdrawn, (i) such Notes will cease to be outstanding, (ii) interest will cease to accrue on such Notes (whether or not book-entry transfer of the Notes has been made or the Notes have been delivered to the Trustee or Paying Agent) and (iii) all other rights of the Holders of such Notes will terminate (other than the right to receive the Fundamental Change Repurchase Price and, if applicable, accrued and unpaid interest).

(c) Upon surrender of a Note that is to be repurchased in part pursuant to Section 3.01, the Company shall execute and the Trustee shall authenticate and deliver to the Holder a new Note in an authorized denomination equal in principal amount to the unrepurchased portion of the Note surrendered.

Section 3.04. *Covenant to Comply with Applicable Laws Upon Repurchase of Notes*. In connection with any repurchase offer, the Company shall, if required:

(a) comply with the provisions of Rule 13e-4, Rule 14e-1 and any other tender offer rules under the Exchange Act;

(b) file a Schedule TO or any other required schedule under the Exchange Act; and

(c) otherwise comply with all federal and state securities laws in connection with any offer by the Company to repurchase the Notes;

in each case, so as to permit the rights and obligations under this Article 3 to be exercised in the time and in the manner specified in this Article 3.

Article 4
COVENANTS

Section 4.01. *Payment of Notes*. The Company will pay or cause to be paid the principal of, Fundamental Change Repurchase Price or Redemption Price for, and any accrued and unpaid interest on, the Notes on the dates and in the manner required under this Indenture. Any principal of, Fundamental Change Repurchase Price or Redemption Price for, or interest on, a Note will be considered paid on the date due if the Paying Agent, if other than the Company or a Subsidiary thereof, holds, as of 10:00 a.m. New York City time on the due date, money deposited by the Company in immediately available funds and designated for, and sufficient to pay, such principal, Fundamental Change Repurchase Price, Redemption Price or interest then due. To the extent lawful, the Company will also pay Default Interest (including post-petition interest in any proceeding under any Bankruptcy Law) on any Defaulted Amounts in accordance with Section 2.04 hereof.

Section 4.02. *144A Information*. Whenever the Company is not subject to Section 13 or Section 15(d) of the Exchange Act, if any Notes or shares of Common Stock issuable upon the conversion of the Notes constitute "restricted securities" within the meaning of Rule 144, the Company will, upon the request of a Holder or Beneficial Owner of the Notes, or a holder or Beneficial Owner of the Common Stock issuable upon the conversion of the Notes, promptly furnish or cause to be furnished to the applicable Holder, Beneficial Owner, or any prospective purchaser designated by the applicable Holder or Beneficial Owner, of the Notes, or any holder, Beneficial Owner, or any prospective purchaser designated by the applicable holder or Beneficial Owner, of the Common Stock, as the case may be, all of the information that a prospective purchaser of the Notes or the Common Stock, as the case may be, is required to receive under Rule 144A(d)(4) of the Securities Act for the Notes or shares of Common Stock, as the case may be, to be resold to such prospective purchaser pursuant the exemption from registration provided by Rule 144A.

Section 4.03. *Reports.*

(a) The Company will furnish to the Trustee and the Holders, within 15 calendar days after it is required to file the same with the SEC (after giving effect to any grace period provided by Rule 12b-25 under the Exchange Act (or any successor rule)), all the quarterly and annual reports and the information, documents and other reports, if any, that it is required to file with the SEC pursuant to Section 13 or 15(d) of the Exchange Act. Any such report, information or document that the Company files with the SEC through the EDGAR system (or any successor thereto) will be deemed to be delivered to the Trustee and the Holders for the purposes of this Section 4.03 at the time of such filing through the EDGAR system (or such successor thereto); *provided*, *however*, that the Trustee shall have no obligation or responsibility to determine whether the Company is required to file any report or other information with the SEC or the Trustee, whether the Company's information is available on the EDGAR system (or any successor thereto) or whether the Company has otherwise delivered any notice or report in accordance with the requirements specified in this Section 4.03.

(b) The Company will schedule a conference call to be held not more than 15 Business Days following the release of each quarterly and annual report referred to in Section 4.03(a), but after the release of any "earnings release" corresponding to the period of such report, at which the Company will make available at least one member of its senior management to discuss the information contained in such report on such conference call. The Company will notify Holders about such call and provide them with call-in information concurrently with and in the same manner as each delivery of such reports.

(c) If the Company has designated any Subsidiaries as Unrestricted Subsidiaries, then the Company's quarterly and annual financial information required by the second preceding paragraph will include a reasonably detailed presentation, either on the face of the financial statements or in the footnotes thereto, of the financial condition and results of operations of the Company and its Restricted Subsidiaries separate from the financial condition and results of operations of the its Unrestricted Subsidiaries.

(d) Notwithstanding anything to the contrary, the Company may elect that the sole remedy for any Event of Default arising out of a Default under this Section 4.03 will be the accrual of special interest ("**Special Interest**") on the Notes for the first 180 days at a rate of 0.25% per annum for the first 90 days of the continuance of such Event of Default and 0.50% per annum thereafter. The Notes will be subject to acceleration if such Event of Default is not cured by the 181st day after the date of its first occurrence. Any Special Interest that accrues on a Note pursuant to this Section 4.03(d) will be payable on the same dates and in the same manner as the stated interest on such Note. For the avoidance of doubt, any Special Interest that accrues on a Note will be in addition to the stated interest that accrues on such Note and in addition to any Additional Interest that accrues on such Note.

(e) Delivery of such quarterly and annual reports, and such other documents, information and other reports to the Trustee will be for informational purposes only, and the Trustee's receipt of such will not constitute actual or constructive notice of any information contained therein or determinable from information contained therein, including the Company's or any Guarantor's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely conclusively on an Officers' Certificate).

Section 4.04. *Additional Interest.*

(a) *General*. If, at any time during the period beginning on, and including, the date that is six months after the Last Original Issue Date of any Note (other than an Exchange Note) and ending on, but not including, the Free Trade Date of such Note, the Company fails to timely file (after giving effect to any grace period provided by Rule 12b-25) any document or report that it is required to file with the SEC pursuant to Sections 13 or 15(d) of the Exchange Act, as applicable (other than current reports on Form 8-K), the Company will pay additional interest (the "**Additional Interest**") on the principal amount of such Note. The Additional Interest will accrue from the due date of each such missed filing until the earlier of (i) the Free Trade Date and (ii) the date such failure to file is corrected.

In addition, if any Note, or any shares of Common Stock issued upon the conversion of any Note, is not Freely Tradable at all times on and after the Free Trade Date (or the next succeeding Business Day if the Free Trade Date is not a Business Day) with respect to such Note, then the Company will pay Additional Interest on such Note. Such Additional Interest will accrue on each day during such period on which such Note is not Freely Tradable on and after the Free Trade Date (or the next succeeding Business Day if the Free Trade Date is not a Business Day). The accrual of Additional Interest will be the exclusive remedy available to Holders for the failure of the Notes or the Common Stock issued upon the conversion of the Notes to become Freely Tradable.

In each case, the Additional Interest will be payable on the same dates and in the same manner as the stated interest on the applicable Note and will initially accrue at the rate of 0.25% per annum on the principal amount of such Note. If the Additional Interest accrues for more than 90 consecutive days on any Note, the rate at which the Additional Interest accrues on such Note will increase to 0.50% per annum on the principal amount of such Note beginning on the 91st consecutive day on which it accrues and ending on the last consecutive day on which it continues to accrue.

(b) *Notice to Trustee*. If the Company is required to pay Additional Interest or Special Interest on any Note, no later than five Business Days prior to the date on which such Additional Interest or Special Interest is scheduled to be paid, the Company will provide to the Trustee (and if the Trustee is not the Paying Agent, to the Paying Agent) an Officers' Certificate, which Officers' Certificate will state (i) that the Company is obligated to pay Additional Interest pursuant to this Section 4.04 or Special Interest pursuant to Section 4.03, (ii) the amount of such Additional Interest that the Company is required to pay under this Section 4.04 or Special Interest pursuant to Section 4.03, (iii) the amount of such Additional Interest, or Special Interest that the Company will pay, (iv) the scheduled date on which such Additional Interest or Special Interest will be paid to Holders and (v) a direction that the Trustee (or, if the Trustee is not the Paying Agent, the Paying Agent) pay such Additional Interest or Special Interest to the extent it receives funds from the Company to do so, on the scheduled payment date for such Additional Interest. The Trustee will not have any duty or responsibility to any Holder to determine whether any Additional Interest is payable, or, if any Additional Interest or Special Interest is payable, the amount of such Additional Interest or Special Interest that is payable.

Section 4.05. *Compliance Certificate.*

(a) *Annual Compliance Certificate*. Within 90 days after the end of each fiscal year of the Company, beginning with the fiscal year ending on December 31, 2016 the Company will deliver to the Trustee and the Collateral Agent an Officers' Certificate, which Officers' Certificate will state (i) that the Officers signing such Officers' Certificate have supervised a review of the activities of the Company and its Subsidiaries with a view to determining whether the Company has kept, observed, performed and fulfilled its obligations under this Indenture during the preceding fiscal year, and (ii) to the knowledge of each of the Officers signing such Officers' Certificate, (A) whether the Company has kept, observed, performed and fulfilled each and every covenant contained in this Indenture and is not in default in the performance or observance of any of the terms, provisions and conditions of this Indenture (without regard to any period of grace or requirement of notice provided under this Indenture) or, if one or more Defaults or Events of Default have occurred, what events triggered such Defaults or Events of Default and what actions the Company is taking or proposes to take with respect to such Defaults or Events of Default, and (B) whether any event has occurred and remains in existence by reason of which any payment of the principal of, the Fundamental Change Repurchase Price or the Redemption Price for, or interest on, or any delivery of any of the consideration due upon conversion of, a Note is prohibited, and, if any such event has occurred and remains in existence, a description, in reasonable detail, of such event or events and what actions the Company is taking or proposes to take with respect to such event or events.

(b) *Certificate of Default or Event of Default*. As soon as possible, and in any event within five Business Days after a Default occurs, the Company will deliver to the Trustee and the Collateral Agent an Officers' Certificate describing such Default, its status and a description, in reasonable detail, of what action the Company is taking or proposes to take with respect to such Default.

Section 4.06. *Restriction on Purchases and Sales by the Company and by Affiliates of the Company*. Neither the Company nor any of its Subsidiaries will purchase or otherwise acquire any Notes without canceling such Notes. Any Note or Common Stock issued upon the conversion or exchange of a Note or otherwise in respect of a Note that is repurchased or owned by any affiliate of the Company (as defined under Rule 144) (or any Person who was an affiliate of the Company at any time during the three months immediately preceding) may not be resold by such affiliate (or such Person, as the case may be) unless registered under the Securities Act or resold pursuant to an exemption from the registration requirements of the Securities Act in a transaction that results in such Note or Common Stock, as the case may be, no longer being a "restricted security" (as defined under Rule 144).

Section 4.07. *Corporate Existence*. Subject to Article 5 hereof, the Company will do or cause to be done all things necessary to preserve and keep in full force and effect:

(a) its corporate existence, and the corporate, partnership or other existence of each of its Restricted Subsidiaries, in accordance with the respective organizational documents (as the same may be amended from time to time) of the Company or such Restricted Subsidiary, as applicable; and

(b) the rights (charter and statutory), licenses and franchises of the Company and its Subsidiaries;

provided, *however*, that the Company will not be required to preserve any such right, license or franchise, or the corporate, partnership or other existence of any of its Subsidiaries, if the Board of Directors determines that the preservation thereof is no longer desirable in the conduct of the business of the Company and its Subsidiaries, taken as a whole, and that the loss thereof is not adverse in any material respect to the Holders.

Section 4.08. *Par Value Limitation.*

The Company will not take any action that, after giving effect to any adjustment pursuant to Section 10.04 or 10.05, would result in the Conversion Price becoming less than the par value of one share of Common Stock.

Section 4.09. *Stay, Extension and Usury Laws*. The Company and each of the Guarantors covenants that, to the extent that it may lawfully do so, it will not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law or other law that would prohibit or forgive the Company from paying all or any portion of the principal of or interest on the Notes as contemplated herein, wherever enacted, now or at any time hereafter in force, or that may affect the covenants or the performance of this Indenture; and each of the Company and the Guarantors, to the extent that it may lawfully do so, hereby expressly waives all benefit or advantage of any such law, and covenants that it will not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but will instead suffer and permit the execution of every such power as though no such law had been enacted.

Section 4.10. *Further Instruments and Acts*. Upon request of the Trustee or the Collateral Agent, the Company and each of the Guarantors will execute and deliver such further instruments and do such further acts as may be reasonably necessary or proper to carry out more effectively the terms of this Indenture.

Section 4.11. *Restricted Payments.*

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly:

(a) declare or pay any dividend or make any other payment or distribution on or in respect of the Company's or any Restricted Subsidiary's Equity Interests (including any such payment in connection with any merger or consolidation involving such Person), except dividends or distributions payable solely in Equity Interests (other than Disqualified Stock) of the Company or such Restricted Subsidiary and except dividends or distributions payable solely to the Company or any of its Restricted Subsidiaries (and, if such Restricted Subsidiary is not a Wholly Owned Subsidiary, to its other Equity Interest Holders on a pro rata basis with respect to the class of Equity Interests on which such dividend or distribution is made, or on a basis that results in the receipt by the Company or any of its Restricted Subsidiaries of dividends or distributions of greater value than it would receive on a pro rata basis);

(b) purchase, redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation involving the Company) any Equity Interests of the Company;

(c) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value, any Indebtedness of the Company or any Guarantor that is (i) Indebtedness that is contractually subordinated to the Notes or to any Note Guarantee (excluding any intercompany Indebtedness between or among the Company and any of its Restricted Subsidiaries) ("**Subordinated Indebtedness**") or (ii) unsecured Indebtedness, except, (x) in each case, payments of interest or principal at the Stated Maturity thereof and (y) in the case of any Existing Indebtedness (other than Existing Convertible Notes or any refinancings thereof) with a Stated Maturity prior to the Maturity Date, the purchase, repurchase, redemption, defeasance or other acquisition of any such Existing Indebtedness in anticipation of satisfying a sinking fund obligation, principal installment or final maturity, in each case due within one year of the date of such purchase, repurchase, redemption, defeasance or other acquisition; or

(d) make any Investment other than a Permitted Investment (a "**Restricted Investment**")

(all such payments and other actions set forth in these clauses (a) through (d) above being collectively referred to as "**Restricted Payments**"), unless, at the time of and after giving effect to such Restricted Payment:

(i) no Default or Event of Default has occurred and is continuing or would occur after giving effect to such Restricted Payment;

(ii) the Company would, at the time of such Restricted Payment and after giving *pro forma* effect thereto, have been permitted to incur at least $1.00 of additional Indebtedness pursuant to Section 4.13(a); and

(iii) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Company and its Restricted Subsidiaries since the Issue Date, is less than the sum, without duplication, of:

(A) 50% of the Consolidated Net Income of the Company for the period (taken as one accounting period) from the beginning of the first fiscal quarter commencing after the Issue Date to the end of the Company's most recently completed fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (or, if such Consolidated Net Income for such period is a deficit, less 100% of such deficit); plus

(B) 100% of the aggregate net cash proceeds received by the Company since the Issue Date as a contribution to its common equity capital or from the issue or sale of Equity Interests (other than Disqualified Stock) of the Company or from the issue or sale of convertible or exchangeable Disqualified Stock of the Company or convertible or exchangeable debt securities of the Company, in each case that have been converted into, settled with or exchanged for Equity Interests of the Company (other than (x) Disqualified Stock or (y) Equity Interests and convertible or exchangeable Disqualified Stock or debt securities sold to a Subsidiary of the Company); plus

(C) to the extent that any Restricted Investment that was made after the Issue Date is sold or otherwise liquidated or repaid, the amount of the cash return of capital with respect to such Restricted Investment (less the cost of disposition, if any), to the extent that such return was not otherwise included in the Consolidated Net Income of the Company for such period; plus

(D) to the extent that any Unrestricted Subsidiary of the Company designated as such on or after the Issue Date is redesignated as a Restricted Subsidiary after the Issue Date, the Fair Market Value of the Company's Restricted Investment (without duplication of amounts that increase the amount available pursuant to the definition of "Permitted Investments" and Section 4.12(b)) in such Restricted Subsidiary as of the date of such redesignation; plus

(E) without duplication of any increase pursuant to this section or that increase the amount available pursuant to the definition of "Permitted Investments" and Section 4.12(b), cash dividends or distributions received by the Company or any Restricted Subsidiary after the Issue Date from an Unrestricted Subsidiary of the Company, to the extent that such dividends or distributions were not otherwise included in the Consolidated Net Income of the Company for such period; plus

(F) to the extent that any Restricted Investment that was made after the date of this Indenture is made in an entity that subsequently becomes a Guarantor, the lesser of the initial amount of such Restricted Investment and the Fair Market Value of the Investment of the Company in such entity at the time it becomes a Guarantor.

(e) Notwithstanding anything to the contrary therein, Section 4.11 will not prohibit:

(i) the payment of any dividend or distribution on account of Equity Interests or the consummation of any redemption within 60 days after the date of declaration of the dividend or distribution on account of Equity Interests or giving of the Redemption Notice, as the case may be, if at the date of declaration or notice, the dividend, distribution or redemption payment would have complied with the provisions of this Section 4.11;

(ii) the purchase, repurchase, redemption, defeasance or other acquisition or retirement for value of Subordinated Indebtedness, unsecured Indebtedness or Disqualified Stock of the Company or any Guarantor in exchange for, by conversion into or out of, or with the net cash proceeds from, an incurrence of Permitted Refinancing Indebtedness, which incurrence occurs substantially concurrently with such purchase, repurchase, redemption, defeasance or other acquisition or retirement for value;

(iii) so long as no Default or Event of Default has occurred and is continuing, the repurchase, redemption or other acquisition or retirement for value of any Equity Interests of the Company or any Restricted Subsidiary of the Company held by any current or former officer, director, employee or consultant of the Company or any Restricted Subsidiary of the Company or any permitted transferee of the foregoing pursuant to any equity subscription agreement, stock option agreement, shareholders' agreement or similar agreement; *provided* that the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests may not exceed $0.5 million in any twelve-month period; *provided*, *further*, that such amount in any twelve-month period may be increased by an amount not to exceed:

(A) the cash proceeds from the sale of Equity Interests (other than Disqualified Stock) of the Company to officers, directors, employees or consultants of the Company, any of its Subsidiaries or any of its direct or indirect parent companies that occurs after the Issue Date to the extent the cash proceeds from the sale of such Equity Interests have not otherwise been applied to the making of Restricted Payments pursuant to this Section 4.11 plus

(B) the cash proceeds of key man life insurance policies received by the Company or any Restricted Subsidiary of the Company after the Issue Date; and in addition, cancellation of Indebtedness owing to the Company or any Restricted Subsidiary from any current or former officer, director or employee (or any permitted transferees thereof) of the Company or any Restricted Subsidiary of the Company in connection with a repurchase of Equity Interests of the Company or any Restricted Subsidiary of the Company from such Persons will not be deemed to constitute a Restricted Payment for purposes of this Section 4.11 or any other provisions of this Indenture;

(iv) the purchase, redemption or other acquisition or retirement for value of Equity Interests (x) deemed to occur upon the exercise or conversion of stock options, warrants, convertible notes or similar rights to acquire Equity Interests to the extent that such Equity Interests represent all or a portion of the exercise, exchange or conversion price of those stock options, warrants, convertible notes or similar rights, or (y) made in lieu of payment of withholding taxes in connection with the vesting of Equity Interests or any exercise or exchange of stock options, warrants, convertible notes or similar rights to acquire such Equity Interests;

(v) any purchase, repurchase, redemption, defeasance or other acquisition or retirement for value of Subordinated Indebtedness, unsecured Indebtedness or Disqualified Stock of the Company or any Restricted Subsidiary upon a Fundamental Change or Asset Sale to the extent required by this Indenture or other instrument pursuant to which such Indebtedness or Disqualified Stock was issued, but only if the Company or such Restricted Subsidiary has first complied with its obligation under Article 3 and Section 4.14, as applicable;

(vi) the making of any Restricted Payment in exchange for, or out of or with the net cash proceeds from the substantially concurrent contribution to the common equity of the Company or from the substantially concurrent sale (other than to a subsidiary of the Company) of, Equity Interests (other than Disqualified Stock) of the Company; *provided*, that the amount of any such net cash proceeds that are utilized for any such Restricted Payment will not be considered to be net proceeds of Equity Interests for purposes of clause (iii)(B) of this Section 4.11;

(vii) so long as no Default or Event of Default has occurred and is continuing or would be caused thereby, the declaration and payment of regularly scheduled or accrued dividends or distributions to Holders of any class or series of Disqualified Stock of the Company or any preferred stock of any Restricted Subsidiary of the Company issued on or after the Issue Date in accordance with the Fixed Charge Coverage Ratio test set forth in Section 4.13(a);

(viii) payments of cash, dividends, distributions, advances or other Restricted Payments by the Company or any of its Restricted Subsidiaries to allow the payment of cash in lieu of the issuance of fractional shares;

(ix) the making of cash payments in connection with any conversion or redemption of the Notes pursuant to this Indenture;

(x) repurchases of Existing Convertible Notes for cash, or cash payments to defease or Effectively Discharge any Existing Convertible Notes; *provided*, that *pro forma* for such repurchases or payments (in a single transaction or a series of related transactions, including, for the avoidance of doubt, any related capital-raising transactions permitted by this Indenture), the Company's Consolidated Cash Balances are at least $25.0 million;

(xi) so long as no Default or Event of Default has occurred and is continuing or would be caused thereby, other Restricted Payments in an aggregate amount not to exceed $2.5 million in the aggregate since the Issue Date, plus if any such Restricted Payment under this clause (xi) was used to make an Investment, the cash return of capital with respect to such Investment (less the cost of disposition, if any); and

(xii) so long as no Default or Event of Default has occurred and is continuing or would be caused thereby, repurchases of Existing Convertible Notes for cash, or cash payments to defease or Effectively Discharge any Existing Convertible Notes, using 100% of the aggregate net cash proceeds received by the Company from the substantially concurrent issue or sale (other than to a subsidiary of the Company) of convertible or exchangeable Disqualified Stock of the Company or convertible or exchangeable debt securities of the Company which, in either case, constitute Permitted Refinancing Indebtedness with respect to the Existing Convertible Notes.

(f) The amount of all Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Company or the relevant Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. The Fair Market Value of any assets or securities that are required to be valued by this covenant will be determined by the Company or, if such Fair Market Value is in excess of $5.0 million, by the Board of Directors, whose Board Resolution with respect thereto will be delivered to the Trustee.

(g) For purposes of determining compliance with this Section 4.11, in the event that a proposed Restricted Payment (or portion thereof) meets the criteria of more than one of the categories of Restricted Payments described in Sections 4.11(e)(i) through Section 4.12(e)(xi) or is entitled to be incurred as one or more categories of Permitted Investments or pursuant to (a), the Company will be entitled to classify such Restricted Payment or portion thereof in any manner that complies with this Section 4.11, and such Restricted Payment will be treated as having been made pursuant to only such clause or clauses, categories of Permitted Investments or (a).

(h) For purposes of this Section 4.11, the Notes and the Existing Convertible Notes will be deemed not to be Equity Interests.

Section 4.12. *Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries.*

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:

(i) pay dividends or make any other distributions on its Capital Stock to any of its Restricted Subsidiaries, or with respect to any other interest or participation in, or measured by, its profits, or pay any indebtedness owed to any of its Restricted Subsidiaries (it being understood that the priority of any preferred stock in receiving dividends or liquidating distributions prior to dividends or liquidating distributions being paid on common stock shall not be deemed a restriction on the ability to make distributions on Capital Stock);

(ii) make loans or advances to any of its Restricted Subsidiaries; or

(iii) sell, lease or transfer any of its properties or assets to any of its Restricted Subsidiaries.

(b) The restrictions in Section 4.12(a) will not apply to encumbrances or restrictions existing under or by reason of:

(i) the Note Documents;

(ii) applicable law, rule, regulation, order, approval, license, permit or similar restriction (whether or not existing on the Issue Date);

(iii) any instrument governing Indebtedness or Capital Stock of a person acquired by the Company or any Restricted Subsidiaries as in effect at the time of such acquisition, except to the extent incurred in contemplation thereof;

(iv) customary non-assignment provisions in leases entered into in the ordinary course of business and consistent with past practices;

(v) purchase money obligations for property acquired in the ordinary course of business that impose restrictions on that property;

(vi) any agreement for the sale or other disposition of a Restricted Subsidiary that restricts distributions by that Restricted Subsidiary pending its sale or other disposition;

(vii) Permitted Refinancing Indebtedness with terms are not materially more restrictive;

(viii) other permitted Indebtedness of the Company and Restricted Subsidiaries with terms that are customary and not materially more restrictive than other Indebtedness terms;

(ix) Permitted Liens that limit the right of the debtor to dispose of the assets subject to such Liens;

(x) provisions with respect to the disposition or distribution of assets or property in joint venture agreements, asset sale agreements, stock sale agreements, agreements respecting investments in a Permitted Business and other similar agreements entered into in the ordinary course of business; and

(xi) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business.

(c) For purposes of determining compliance with this Section 4.12, the subordination of loans or advances made to the Company or a Restricted Subsidiary to other Indebtedness incurred by the Company or any such Restricted Subsidiary shall not be deemed a restriction on the ability to make loans or advances.

Section 4.13. *Incurrence of Indebtedness and Issuance of Preferred Stock.*

(a) The Company and the Guarantors will not, and the Company will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, enter into a guarantee of or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, “incur”) any Indebtedness (including Acquired Debt), and the Company will not issue any Disqualified Stock and will not permit any of its Restricted Subsidiaries to issue any shares of preferred stock or preferred interests; *provided*, *however*, that the Company may incur Indebtedness (including Acquired Debt) or issue Disqualified Stock, and the Guarantors may incur Indebtedness (including Acquired Debt) or issue preferred stock or preferred interests, if the Fixed Charge Coverage Ratio for the Company and its subsidiaries, on a consolidated basis, for the most recently completed four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is incurred or such Disqualified Stock or such preferred stock or preferred interests are issued, as the case may be, would have been at least 3.0 to 1.0, determined on a *pro forma* basis (including a *pro forma* application of the net proceeds therefrom), as if the additional Indebtedness had been incurred or the Disqualified Stock or the preferred stock or preferred interests had been issued, as the case may be, at the beginning of such four-quarter period.

(b) Notwithstanding anything to the contrary therein, Section 4.13(a) will not prohibit the incurrence of any of the following items of Indebtedness or the issuance of any of the following Disqualified Stock (collectively, "**Permitted Debt**"):

(i) the incurrence by the Company and the Guarantors of Indebtedness represented by the Notes and the related Note Guarantees to be issued on the Issue Date;

(ii) the incurrence by the Company or any of its Restricted Subsidiaries of Existing Indebtedness listed on Schedule I hereto (including the Existing Convertible Notes), but excluding indebtedness under clause (i) above;

(iii) the incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness represented by either (A) Capital Lease Obligations, or (B) mortgage financings or purchase money obligations, in either case of sub-clause (A) or (B), incurred for the purpose of financing or reimbursing all or any part of the purchase price or cost of design, development, construction, installation, expansion, repair or improvement of property (either real or personal), plant or equipment or other fixed or capital assets used or useful in the business of the Company or any of its Restricted Subsidiaries (in each case, whether through the direct purchase of such assets or the purchase of Equity Interests of any Person owning such assets), which incurrence occurs within 365 days of such purchase, design, development, construction, installation, expansion, repair or improvement, in an aggregate principal amount, including, without duplication, all Permitted Refinancing Indebtedness incurred under Section 4.13(b)(v) below to refinance any Indebtedness incurred pursuant to this clause (iii), not to exceed, at one time outstanding, in the case of each of sub-clause (A) and (B), $10 million;

(iv) Indebtedness (i) attaching to assets acquired by the Company or any Restricted Subsidiary and outstanding on the date on which such assets were acquired by the Company or such Restricted Subsidiary, except to the extent incurred in contemplation thereof or to consummate the relevant transaction, subject to *pro forma* compliance with the Fixed Charge Coverage Ratio test set forth in Section 4.13(a), and (ii) of a Restricted Subsidiary incurred and outstanding on the date on which such Restricted Subsidiary was acquired by, or merged into, the Company or any Restricted Subsidiary, except to the extent incurred in contemplation thereof or to consummate the relevant transaction, subject to *pro forma* compliance with the Fixed Charge Coverage Ratio test set forth in Section 4.13(a), in the aggregate principal amount, including, without duplication, all Permitted Refinancing Indebtedness incurred under Section 4.13(b)(v) to refinance any Indebtedness incurred pursuant to this clause, not to exceed $20 million;

(v) Indebtedness constituting an extension or renewal of, replacement of, or substitution for, or issued in exchange for, or the net proceeds of which are used to repay, redeem, repurchase, refinance or refund, including by way of defeasance (all of the above, for purposes of this Section, "**refinance**") then outstanding indebtedness ("**Permitted Refinancing Indebtedness**") in an amount not to exceed the principal amount or liquidation value of the indebtedness so refinanced, plus premiums, fees and expenses; *provided*, that:

(A) in case the Notes are refinanced in part or the indebtedness to be refinanced is *pari passu* with the Notes, the new Indebtedness, by its terms or by the terms of any agreement or instrument pursuant to which it is outstanding, is expressly made *pari passu* with, or subordinated in right of payment to, the remaining Notes;

(B) in case the Indebtedness to be refinanced is Subordinated Indebtedness, the new Indebtedness, by its terms or by the terms of any agreement or instrument pursuant to which it is outstanding, is expressly made subordinate in right of payment to the Notes at least to the extent that the Indebtedness to be refinanced is subordinated to the Notes;

(C) the new indebtedness does not have a Stated Maturity prior to the Stated Maturity of the Indebtedness to be refinanced, and the Weighted Average Life to Maturity of the new indebtedness is at least equal to the remaining Weighted Average Life to Maturity of the Indebtedness being refinanced;

(D) if the Indebtedness being refinanced is unsecured Indebtedness, such Permitted Refinancing Indebtedness is unsecured Indebtedness; and

(E) in no event may Indebtedness of the Company or any Guarantor be refinanced pursuant to this clause by means of any Indebtedness of any Restricted Subsidiary that is not a Guarantor;

(vi) the incurrence by the Company or any of its Restricted Subsidiaries of additional Indebtedness or Disqualified Stock in an aggregate principal amount (or accreted value, as applicable), including, without duplication, all Permitted Refinancing Indebtedness incurred under Section 4.13(b)(v) to refinance any Indebtedness incurred pursuant to this clause, at any time outstanding not to exceed $10.0 million;

(vii) the incurrence by the Company or any of its Restricted Subsidiaries of intercompany Indebtedness (or the guarantees of any such intercompany Indebtedness) between or among the Company or any of its Restricted Subsidiaries; *provided*, *however*, that:

(A) the aggregate principal amount of intercompany Indebtedness (or the guarantees of any such intercompany Indebtedness) between or among the Company or any of its Restricted Subsidiaries must be incurred pursuant to an intercompany note (which may take the form of a grid note) that is pledged to the Collateral Agent or the Israeli Security Trustee, as applicable, in accordance with the terms of the applicable Security Agreement; and

(B) if the Company or any Guarantor is the obligor on such Indebtedness and the payee is not the Company or a Guarantor, then such Indebtedness (other than Indebtedness incurred in the ordinary course in connection with the cash or tax management operations of the Company and its Subsidiaries) must be expressly subordinated to the prior payment in full in cash of all Obligations then due with respect to the Notes, in the case of the Company, or the Note Guarantee, in the case of a Guarantor;

provided, *further*, that (i) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than the Company or a Restricted Subsidiary of the Company and (ii) any sale or other transfer of any such Indebtedness to a Person that is not either the Company or a Restricted Subsidiary of the Company, will be deemed, in each case, to constitute an incurrence of such Indebtedness by the Company or such Restricted Subsidiary, as the case may be, that was not permitted by this Section 4.13(b)(vii);

(viii) the issuance by any of the Company's Restricted Subsidiaries to the Company or to any of its Restricted Subsidiaries of shares of preferred stock; *provided*, *however*, that:

(A) any subsequent issuance or transfer of Equity Interests that results in any such preferred stock being held by a Person other than the Company or a Restricted Subsidiary of the Company; and

(B) any sale or other transfer of any such preferred stock to a Person that is not the Company or a Restricted Subsidiary of the Company, will be deemed, in each case, to constitute an issuance of such preferred stock by such Restricted Subsidiary that was not permitted by this clause (viii);

(ix) Hedging Obligations that are not incurred for speculative purposes but for the purpose of (a) fixing or hedging interest rate risk with respect to any Indebtedness that is permitted by the terms of this Indenture to be outstanding; (b) fixing or hedging currency exchange rate risk with respect to any currency exchanges; or (c) fixing or hedging commodity price risk, including the price or cost of raw materials, emission rights, manufactured products or related commodities, with respect to any commodity purchases or sales;

(x) the guarantee by the Company or any of the Guarantors of Indebtedness of the Company or a Guarantor, and the guarantee by any Restricted Subsidiary of the Company that is not a Guarantor of Indebtedness of another Restricted Subsidiary that is not a Guarantor, in each case, to the extent that the guaranteed Indebtedness was permitted to be incurred by another provision of this Section 4.13; *provided* that if the Indebtedness being guaranteed is subordinated in right of payment to or *pari passu* with the Notes, then the guarantee must be subordinated or *pari passu*, as applicable, in right of payment to the same extent as the Indebtedness guaranteed;

(xi) the incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness in respect of workers' compensation claims, unemployment or other insurance or self-insurance obligations, health, disability or other benefits to employees or former employees and their families, bankers' acceptances and similar obligations in the ordinary course of business;

(xii) the incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn against insufficient funds, so long as such Indebtedness is covered within five Business Days;

(xiii) the incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness arising from customary agreements of the Company or any such Restricted Subsidiary providing for indemnification, adjustment of purchase price or similar obligations, in each case, incurred or assumed in connection with the acquisition or sale or other disposition of any business, assets or Capital Stock of the Company or any of its Restricted Subsidiaries, other than, in the case of any such disposition by the Company or any of its Restricted Subsidiaries, guarantees of Indebtedness incurred by any Person acquiring all or any portion of such business, assets or Capital Stock;

(xiv) the incurrence of contingent liabilities arising out of endorsements of checks and other negotiable instruments for deposit or collection in the ordinary course of business; or

(xv) the incurrence of Indebtedness in the ordinary course of business under any agreement between the Company or any of its Restricted Subsidiaries and any commercial bank or other financial institution relating to Treasury Management Arrangements.

(c) For purposes of determining compliance with this Section 4.13, in the event that an item of proposed Indebtedness or Disqualified Stock meets the criteria of more than one of the categories of Permitted Debt described in clauses (i) through (xv) of Section 4.13(b), or is entitled to be incurred pursuant to Section 4.13(a), the Company will be permitted to classify all or a portion of such item of Indebtedness or Disqualified Stock on the date of its incurrence, or later reclassify all or a portion of such item of Indebtedness or Disqualified Stock (based on circumstances existing on the date of such reclassification), in any manner that complies with this covenant. The accrual of interest, the accretion or amortization of original issue discount, the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms, the reclassification of preferred stock as Indebtedness due to a change in accounting principles, and the payment of dividends on Disqualified Stock in the form of additional shares of the same class of Disqualified Stock will not be deemed to be an incurrence of Indebtedness or an issuance of Disqualified Stock for purposes of this covenant, *provided*, in each such case, that the amount of any such accrual, accretion or payment is included in Fixed Charges of the Company as accrued. For purposes of determining compliance with any U.S. dollar-denominated restriction on the incurrence of Indebtedness, the U.S. dollar-equivalent principal amount of Indebtedness denominated in a foreign currency shall be utilized, calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred. Notwithstanding anything to the contrary in this covenant, the maximum amount of Indebtedness that the Company or any Restricted Subsidiary may incur pursuant to this covenant shall not be deemed to be exceeded solely as a result of fluctuations in exchange rates or currency values.

(d) The amount of any Indebtedness outstanding as of any date will be:

(i) the accreted value of the Indebtedness, in the case of any Indebtedness issued with original issue discount;

(ii) the principal amount of the Indebtedness, in the case of any other Indebtedness; and

(iii) in respect of Indebtedness of another Person secured by a Lien on the assets of the specified Person, the lesser of:

(A) the Fair Market Value of such assets at the date of determination; and

(B) the amount of the Indebtedness of the other Person.

Section 4.14. *Asset Sales.*

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale unless:

(i) the Company (or its Restricted Subsidiaries, as the case may be) receives consideration at the time of the Asset Sale at least equal to the Fair Market Value of the assets or equity interests issued or sold or otherwise disposed of; and

(ii) at least 75% of the consideration received in the Asset Sale by the Company or its Restricted Subsidiaries is in the form of cash or Cash Equivalents.

(b) Within 90 days after the Company's or any Restricted Subsidiary of the Company's receipt of (x) the Net Proceeds of any Asset Sale or (y) aggregate cash proceeds in respect of any Co-Promotion Arrangement or Intellectual Property License to the extent such proceeds constitute fixed cash payments, the Company or such Restricted Subsidiary of the Company may apply the Net Proceeds from such Asset Sale or such aggregate cash proceeds, at its option:

(i) (A) if the Asset Sale is an Intellectual Property Sale, or (B) with respect to aggregate cash proceeds received in respect of any Co-Promotion Arrangement or Intellectual Property License, the percentage of the Net Proceeds or aggregate cash proceeds set forth in the "Note Redemption" column set forth in the table below shall be applied to permanently redeem the Notes equally and ratably as provided under Article 11; and

(ii) (A) if the Asset Sale is not an Intellectual Property Sale, or (B) with respect to the percentage of the Net Proceeds or aggregate cash proceeds set forth in the "Company Retention" column in the table below which are not used to redeem the notes pursuant to clause (i) above, such Net Proceeds or aggregate cash proceeds shall be applied to research and development or clinical development efforts in connection with the Products or other potential product candidates that may be introduced by the Company, or to make an Investment in any one or more businesses (*provided* that if such Investment is in the form of the acquisition of Capital Stock of a Person, such acquisition results in such Person becoming a Restricted Subsidiary of the Company or, if such Person is a Restricted Subsidiary of the Company, in an increase in the percentage ownership of such Person by the Company or any Restricted Subsidiary of the Company), noncurrent assets, or non-current property or capital expenditures, in each case (1) used or useful in a Permitted Business or (2) that replace the properties and assets that are the subject of such Asset Sale; *provided* that any such Investment, assets, property or capital expenditures shall be pledged as Collateral (including any assets held by a Person acquired using Net Proceeds). Pending the application of any Net Proceeds under this Section 4.14, such Net Proceeds shall be held by the Collateral Agent as Collateral.

Proceeds(millions)	**Note Redemption (%)**	**Company Retention (%)**
First $15.0	0.0	100.0
Next $20.0	30.0	70.0
Next $20.0	40.0	60.0
Next $20.0	55.0	45.0
Next $20.0	70.0	30.0
Any remaining proceeds thereafter	80.0	20.0

(c) Notwithstanding anything to the contrary in this Section 4.14, the Company will not, and will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale consisting of, in whole or in part, any Equity Interests of a Guarantor (including any debt security that is convertible into, or exchangeable for, Equity Interest of a Guarantor), other than an Asset Sale consisting of all of the Equity Interests of such Guarantor.

Section 4.15. *Transactions with Affiliates.*

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction or series of transactions, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Company (each, an "**Affiliate Transaction**"), unless:

(i) the Affiliate Transaction is on terms that are no less favorable to the Company or the relevant Restricted Subsidiary, taken as a whole, than those that would have been obtained in a comparable transaction by the Company or such Restricted Subsidiary with a Person that is not an Affiliate of the Company;

(ii) the Company delivers to the Trustee, with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $2.5 million, a Board Resolution of the Board of Directors set forth in an Officers' Certificate certifying that such Affiliate Transaction complies with this Section 4.15 and that such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors; and

(iii) the Company delivers to the Trustee, with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $5.0 million, a favorable written opinion from a nationally recognized investment banking, appraisal or accounting firm (A) as to the fairness of the transaction to the Company and its Subsidiaries from a financial point of view or (B) stating that the terms of such transaction are, taken as a whole, no less favorable to the Company or the relevant Restricted Subsidiary than those that would have been obtained in a comparable arm's-length transaction by the Company or such Restricted Subsidiary with a Person that is not an Affiliate of the Company or any Restricted Subsidiary.

(b) The following items will be deemed not to be Affiliate Transactions and, therefore, will not be subject to the provisions of Section 4.15:

(i) any employment or severance agreement or other employee compensation agreement, arrangement or plan, or any amendment thereto, entered into by the Company or any of its Restricted Subsidiaries in the ordinary course of business;

(ii) transactions between or among the Company and its Restricted Subsidiaries;

(iii) transactions with a Person (other than an Unrestricted Subsidiary of the Company) that is an Affiliate of the Company solely because the Company owns an Equity Interest in such Person;

(iv) the payment of reasonable directors' fees or expenses, the payments of other reasonable benefits and the provision of officers' and directors' indemnification and insurance to the extent permitted by law, in each case in the ordinary course of business;

(v) sales of Equity Interests (other than Disqualified Stock) of the Company to Affiliates of the Company;

(vi) transactions with a Person or Affiliate of the Company that may or may not own an Equity Interest in the Company or its Restricted Subsidiaries for the purpose of securing hydrocarbon transportation arrangements; *provided*, that such transactions are on arms-length terms as determined in good faith by an officer of the Company;

(vii) transactions pursuant to agreements in effect on the Issue Date;

(viii) Restricted Payments as permitted pursuant to Section 4.11; and

(ix) any repurchases, redemptions or other retirements for value by the Company or any of its Restricted Subsidiaries of Indebtedness of any class held by any Affiliate of the Company, so long as such repurchase, redemption or other retirement for value is on the same terms as are made available to investors holding such class of Indebtedness generally, and Affiliates have an economic interest in no more than 50% of the aggregate principal amount of such class of Indebtedness.

Section 4.16. *Liens.*

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or suffer to exist any Lien securing Indebtedness of any kind on any asset now owned or hereafter acquired, except Permitted Liens.

Section 4.17. *Additional Note Guarantees.*

If, after the date of this Indenture, the Company or any Restricted Subsidiary of the Company forms or acquires any Restricted Subsidiary, then the Company shall cause such Restricted Subsidiary to, within 30 Business Days after the date of such event:

(a) execute and deliver to the Trustee and the Collateral Agent a supplemental indenture in the form attached hereto as Exhibit E and a notation of such Note Guarantee in the form attached as Exhibit D hereto pursuant to which such Restricted Subsidiary shall unconditionally guarantee all of the Company's obligations under the Notes and this Indenture on the terms set forth in this Indenture;

(b) execute and deliver all supplements or joinders, as applicable, to the applicable Security Documents in order to grant a Lien in the Collateral owned by such Restricted Subsidiary to the same extent as that set forth in this Indenture and the Security Documents and take all actions required by the Security Documents to perfect such Lien; and

(c) deliver to the Trustee and the Collateral Agent an Officers' Certificate and an Opinion of Counsel, each certifying that such supplemental indenture and the other documents described in clause (b) above have been duly authorized, executed and delivered by such Restricted Subsidiary and constitute a valid and legally binding and enforceable obligations of such Restricted Subsidiary, subject to customary exceptions.

Thereafter, such Restricted Subsidiary shall be a Guarantor for all purposes.

Section 4.18. *Designation of Restricted and Unrestricted Subsidiaries.*

As of the Issue Date, all of the Subsidiaries of the Company are Restricted Subsidiaries. The Board of Directors may at any time after the Issue Date (a) designate any Restricted Subsidiary to be an Unrestricted Subsidiary and (b) redesignate any Unrestricted Subsidiary as a Restricted Subsidiary; *provided*, that immediately before and after any such designation, no Default or Event of Default shall have occurred and be continuing. If a Restricted Subsidiary is designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by the Company and its Restricted Subsidiaries in the Restricted Subsidiary designated as an Unrestricted Subsidiary will be deemed to be an Investment made as of the time of the designation and will reduce the amount available for Restricted Payments pursuant to Section 4.11 or under one or more clauses of the definition of "Permitted Investments," as determined by the Company. That designation will only be permitted if the Investment would be permitted at that time and if such Restricted Subsidiary otherwise meets the definition of an "Unrestricted Subsidiary." The Company may redesignate any Unrestricted Subsidiary to be a Restricted Subsidiary if that redesignation would not cause a Default.

Any designation of a Subsidiary of the Company as an Unrestricted Subsidiary will be evidenced to the Trustee and the Collateral Agent by filing with the Trustee and the Collateral Agent a certified copy of a resolution of the Board of Directors giving effect to such designation and an Officers' Certificate certifying that such designation complied with the preceding conditions and was permitted by Section 4.11. If, at any time, any Unrestricted Subsidiary would fail to meet the preceding requirements as an Unrestricted Subsidiary, it will thereafter cease to be an Unrestricted Subsidiary for purposes of this Indenture and any Indebtedness of such Unrestricted Subsidiary will be deemed to be incurred by a Restricted Subsidiary of the Company as of such date and, if such Indebtedness is not permitted to be incurred as of such date under Section 4.13, the Company will be in default of such covenant. The Board of Directors may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary of the Company, *provided* that such designation will be deemed to be an incurrence of Indebtedness by a Restricted Subsidiary of the Company of any outstanding Indebtedness of such Unrestricted Subsidiary and the creation, incurrence, assumption or otherwise causing to exist any Lien of such Unrestricted Subsidiary, and such designation will only be permitted if (1) such Indebtedness is permitted under Section 4.13, calculated on a *pro forma* basis as if such designation had occurred at the beginning of the four-quarter period referred to in such Section; (2) such Lien is permitted under Section 4.16 and (3) no Default or Event of Default would be in existence following such designation.

Section 4.19. *After-Acquired Property.*

(a) Subject to Section 14.01 of this Indenture and the Security Documents, if at any time after the Issue Date the Company or any of its Subsidiaries that is a Guarantor own any property (other than Excluded Assets and Excluded Real Property), the Company or such Guarantor shall, as promptly as practicable after such property is acquired or such Subsidiary becomes a Guarantor, execute and deliver such mortgages, deeds of trust, deeds to secure debt (as appropriate under the law of the relevant jurisdiction or forum), security instruments, financing statements and certificates or such other documentation as shall be reasonably necessary to vest in the Collateral Agent or the Israeli Security Trustee, as applicable, for the benefit of the Secured Parties, a perfected Lien (with the priority required hereunder and under the Security Documents), subject only to Permitted Liens, in such property and to have such property added to the Collateral (and, in the case of property consisting of Equity Interests in a Subsidiary, execute such documents and take such steps as shall be reasonably necessary to perfect a Lien under the local law of incorporation or formation of the Subsidiary; provided that the Fair Market Value of such Subsidiary and the assets and property it holds (directly or indirectly shall be at least U.S. $500,000), and thereupon all provisions of this Indenture relating to the Collateral shall be deemed to relate to such property to the same extent and with the same force and effect.

(b) Neither the Company nor any of its Restricted Subsidiaries will take any action, or knowingly omit to take any action, which action or omission could reasonably be expected to have the result of materially impairing the security interest with respect to the Collateral in favor of the Collateral Agent and the Israeli Security Trustee on behalf of the Secured Parties.

(c) Upon request of the Collateral Agent or Israeli Security Trustee at any time after an Event of Default has occurred and is continuing, the Company will, and will cause its Restricted Subsidiaries to, (i) permit the Collateral Agent or the Israeli Security Trustee, as the case may be, or any advisor, auditor, consultant, attorney or representative acting for the Collateral Agent or the Israeli Security Trustee, as the case may be, upon reasonable notice to the Company and during normal business hours, to visit and inspect any of the property of the Company and its Restricted Subsidiaries, to review, make extracts from and copy the books and records of the Company and its Restricted Subsidiaries relating to any such property, and to discuss any matter pertaining to any such property with the officers and employees of the Company and its Restricted Subsidiaries, and (ii) deliver to the Collateral Agent or the Israeli Security Trustee such reports, including valuations, relating to any such property or any Lien thereon as such Collateral Agent or the Israeli Security Trustee may request.

Section 4.20. *Limitation on Issuance of Equity Interests.*

No Guarantor shall issue any Equity Interest of such Guarantor (including by way of sales of treasury stock or the issuance of any debt security that is convertible into, or exchangeable for, Equity Interest of such Guarantor) to any Person other than (i) to the Company or any other Guarantor or (ii) in connection with the transfer of all of the Equity Interests of such Guarantor otherwise permitted under this Indenture.

Section 4.21. *Collateral.*

The Company shall, and shall cause each Guarantor to, take all actions and execute and deliver all documents or deliverables, including each Security Document, to secure the payment obligations of the Company under the Notes and this Indenture (subject to the provisions of the Security Agreement, as applicable) by Liens on the Collateral in accordance with, within the time periods specified by, and subject to the limitations of Section 14.01.

Section 4.22. *Conditions Subsequent.*

The Company and the Guarantors shall comply with the following obligations, in each case, within the applicable periods of time specified with respect to such item:

(a) each of the U.S. Security Agreement, the Intellectual Property Security Agreements (as defined in the U.S. Security Agreement), the Israeli Fixed Charge and the Israeli Floating Charge shall be filed for registration at the Israeli Registrar of Companies within ten Business Days of the Issue Date;

(b) the Israeli Stock Pledge shall be filed for registration at the Israeli Registrar of Pledges within ten Business Days of the Issue Date;

(c) within 30 days of the Issue Date, the Collateral Agent shall have received evidence that all filings, registrations and recordings have been made in the appropriate governmental offices, and all other action has been taken, which shall be necessary to create, in favor of the Collateral Agent, a perfected first priority Lien on the Collateral, including fully executed control agreements with respect to the securities and deposit accounts of the Company and the filing of the Intellectual Property Security Agreements (as defined in the U.S. Security Agreement) and completed UCC-1 financing statements in the appropriate governmental offices; and

(d) the Company will use commercially best efforts to obtain the NYSE MKT Stockholder Approval at the Company’s next stockholder meeting occurring within one year from the Issue Date.

Section 4.23. *Taxes*. The Company will pay, and will cause each of its Subsidiaries to pay, prior to delinquency, all material taxes, assessments and governmental levies except such as are contested in good faith and by appropriate proceedings or where the failure to effect such payment is not adverse in any material respect to the Holders.

Section 4.24. *Minimum Liquidity.* At all times when any Notes are outstanding, the Company and its Restricted Subsidiaries shall maintain aggregate Consolidated Cash Balances equal to at least $7.5 million.

Article 5
CONSOLIDATION, MERGER AND SALE OF ASSETS

Section 5.01. *Company May Consolidate, Merge or Sell Its Assets Only on Certain Terms*. The Company will not, directly or indirectly, (1) consolidate with or merge with or into, or (2) sell, convey, transfer or lease all or substantially all of its properties and assets to, any other Person (any such transaction, a "**Reorganization Event**"), unless:

(a) either:

(i) the Company is the surviving corporation; or

(ii) the resulting, surviving or transferee Person (if other than the Company) of such Reorganization Event (the "**Reorganization Successor Corporation**"):

(A) is a corporation organized and validly existing under the laws of the United States of America, any State thereof or the District of Columbia; and

(B) expressly assumes, by executing and delivering a supplemental indenture to the Trustee and the Collateral Agent that is reasonably satisfactory in form to the Trustee in accordance with Section 9.03 hereof and any other agreements reasonably satisfactory to the Trustee and the Collateral Agent, all of the obligations of the Company under the Notes, this Indenture and the Security Documents;

(b) immediately after giving effect to such Reorganization Event, no Default will have occurred and be continuing;

(c) on or prior to the effective date of such Reorganization Event, the Company delivers to the Trustee and the Collateral Agent an Officers' Certificate and an Opinion of Counsel, each stating that:

(i) such Reorganization Event and such supplemental indenture and agreements entered into by the Company or the Reorganization Successor Corporation, if any, comply with this Indenture; and

(ii) all conditions precedent to such Reorganization Event and the execution of such supplemental indenture and other agreements, if any, provided in this Indenture have been satisfied.

Notwithstanding anything to the contrary herein, the Company or any Reorganization Successor Corporation shall at all times be a corporation organized and validly existing under the laws of the United States of America, any State thereof or the District of Columbia.

Section 5.02. *Successor Substituted*. If any Reorganization Event occurs that complies with Sections 5.01(a)(ii), 5.01(b) and 5.01(c) hereof, and the Company has complied with Section 5.01(d) hereof:

(a) from and after the date of such Reorganization Event, the Reorganization Successor Corporation for such Reorganization Event will succeed to, and be substituted for, and may exercise every right and power of, the Company under this Indenture and the Notes with the same effect as if such Reorganization Successor Corporation had been named as the Company herein; and

(b) except in the case of a Reorganization Event that is a conveyance, transfer or lease of all or substantially all of the Company's assets (other than a conveyance or transfer of all of the Company's assets other than assets with a Fair Market Value of less than $2.5 million), the Person named as the "Company" in the first paragraph of this Indenture or any successor (other than such Reorganization Successor Corporation) that will thereafter have become such in the manner prescribed in this Article 5 will be released from its obligations under this Indenture.

Article 6
DEFAULTS AND REMEDIES

Section 6.01. *Events of Default.*

(a) *General*. Each of the following events will be an "**Event of Default**":

(i) the Company fails to pay the principal of the Notes (including any Fundamental Change Repurchase Price or Redemption Price) when due at maturity, upon redemption, repurchase upon a Fundamental Change, declaration of acceleration or otherwise;

(ii) the Company fails to pay or deliver, as the case may be, the consideration due upon conversion (including the Make-Whole Premium, if applicable) of the Notes when due, which failure continues for five Business Days);

(iii) the Company fails to pay any interest when due and such failure continues for a period of 30 days after the applicable due date;

(iv) the Company fails to give any Fundamental Change Company Notice pursuant to Section 3.01, any notice of the Effective Date of a Make-Whole Adjustment Event pursuant to Section 10.04(b) or any notice required pursuant to Section 10.11, in each case, when due;

(v) the Company fails to comply with its Conversion Obligation in accordance with Article 10 hereof upon a Holder's exercise of its conversion rights with respect to such Note;

(vi) the Company fails to comply with its obligations under Article 5 hereof, any Guarantor fails to comply with its obligations under Section 12.04 hereof, or the Company and the Guarantors fail to comply with Section 4.22;

(vii) the Company fails to perform or observe any of its covenants or warranties in this Indenture or in the Notes (other than a covenant or agreement specifically addressed in clauses (i) through (vi) above) and such failure continues for a period of 60 days after (A) the Company receives notice of such failure from the Trustee or (B) the Company and the Trustee receive notice of such failure from Holders of at least 25% of the aggregate principal amount of the then outstanding Notes;

(viii) the default by the Company or any Subsidiary with respect to any mortgage, agreement or other instrument under which there may be outstanding, or by which there may be secured or evidenced, any indebtedness for money borrowed by the Company and/or any Subsidiaries in excess of $5.0 million in the aggregate, whether such indebtedness exists as of the Issue Date or is later created, if that default:

(A) results in such indebtedness becoming or being declared due and payable (prior to its express maturity); or

(B) constitutes a failure to pay the principal of, or interest on, such indebtedness when due and payable at its Stated Maturity, upon required repurchase, upon declaration or otherwise;

(ix) a final judgment for the payment of $5.0 million or more (excluding any amounts covered by insurance) is rendered against the Company or any of its Subsidiaries, and such judgment is not discharged or stayed within 60 days after (A) the date on which all rights to appeal such judgment have expired if no appeal has commenced, or (B) the date on which all rights to appeal have been extinguished;

(x) unless all of the Collateral has been released from the Note Liens in accordance with the provisions of the Security Documents, the default, repudiation or disaffirmation by the Company or any of the Guarantors of any of their obligations under the Security Documents (other than by reason of (A) a release of such obligation or Lien related thereto in accordance with this Indenture, the Security Documents or (B) the failure of the Collateral Agent or the Israeli Security Trustee, as applicable, to maintain possession of certificates, instruments or other documents actually delivered to it representing securities or other possessory collateral pledged under the Security Documents), which default, repudiation or disaffirmation results in Collateral having an aggregate Fair Market Value in excess of $2.0 million not being subject to a valid, perfected security interest in favor of the Collateral Agent or the Israeli Security Trustee, as applicable, under any applicable law (other than the law of any foreign jurisdiction) (to the extent required under the Security Documents), or a determination in a judicial proceeding that the Security Documents are unenforceable or invalid against the Company or any of the Guarantors for any reason with respect to Collateral having an aggregate Fair Market Value of $2.0 million or more; *provided*, that such default, repudiation, disaffirmation or determination is not rescinded, stayed or waived by the Persons having such authority pursuant to the Security Documents or otherwise cured within 60 days after the Company receives written notice thereof specifying such occurrence from the Trustee or the holders of at least 25% of the outstanding principal amount of the Notes demanding that such default be remedied;

(xi) failure by the Company or any Guarantor to comply with the terms of any Security Document, after giving effect to any applicable grace periods or time periods for performance specified therein or, in the absence of any grace periods or time periods for performance specified therein, failure by the Company or any Guarantor, for 30 days after written notice (demanding that such default be remedied) from the Trustee or the Holders of at least 25% in principal amount of the Notes then outstanding has been received by the Company, to comply with the terms of the applicable Security Document;

(xii) any Note Guarantee of a Guarantor ceases to be in full force and effect, other than in accordance the terms of this Indenture, or a Guarantor denies or disaffirms its obligations under its Note Guarantee;

(xiii) the Company, any Guarantor or any Significant Subsidiary, pursuant to or within the meaning of any Bankruptcy Law:

(A) commences a voluntary case;

(B) consents to the entry of an order for relief against it in an involuntary case;

(C) consents to the appointment of a Custodian of it or for any substantial part of its property;

(D) makes a general assignment for the benefit of its creditors;

(E) takes any comparable action under any foreign laws relating to insolvency; or

(F) generally is not paying its debts as they become due; or

(xiv) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(A) is for relief against the Company, any Guarantor or any Significant Subsidiary in an involuntary case or proceeding;

(B) appoints a Custodian of the Company, any Guarantor or any Significant Subsidiary, or for any substantial part of the property of the Company, any Guarantor or any Significant Subsidiary;

(C) orders the winding up or liquidation of the Company, any Guarantor or any Significant Subsidiary; or

(D) grants any similar relief under any foreign laws; in each such case, the order or decree remains unstayed and in effect for 60 days.

(b) *Cause Irrelevant*. Each of the events enumerated in Section 6.01(a) hereof will constitute an Event of Default whatever the cause and regardless of whether voluntary or involuntary or effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body.

(c) *Amounts Due Upon Default or Acceleration*. If the Note Obligations are accelerated for any reason pursuant to Section 6.02 following an Event of Default, the amount of principal of, accrued and unpaid interest and premium on the Notes that becomes due and payable shall be at least equal, to the extent permitted by law, to the payment of all amounts that would have been due upon redemption of the Notes if the Company redeemed all of the outstanding Notes as of the date of acceleration for cash at its option pursuant to Section 11.01(a).

If the Note Obligations are accelerated for any reason pursuant to Section 6.02 following an Event of Default, such amount that would have been due upon a redemption of the outstanding Notes pursuant to Section 11.01(a) will also be automatically due and payable on the date of acceleration regardless of whether the Note Obligations were voluntarily or involuntarily prepaid, repaid, paid, satisfied, distributed or discharged and shall constitute part of the Note Obligations.

In view of the impracticability and extreme difficulty of ascertaining actual damages and by mutual agreement of the parties as to a reasonable calculation of each Holder's lost profits as a result thereof, any premium payable above shall be presumed to be the liquidated damages sustained by each Holder and the Company agrees that it is reasonable under the circumstances currently existing. The premium shall also be payable in the event the Notes (and/or this Indenture) are satisfied or released by foreclosure (whether by power of judicial proceeding), deed in lieu of foreclosure or by any other means. EACH OF THE COMPANY AND GUARANTORS EXPRESSLY WAIVE (TO THE FULLEST EXTENT IT MAY LAWFULLY DO SO) THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE OR LAW THAT PROHIBITS OR MAY PROHIBIT THE COLLECTION OF THE FOREGOING PREMIUM IN CONNECTION WITH ANY SUCH ACCELERATION. Each of the Company and the Guarantors expressly agrees (to the fullest extent it may lawfully do so) that: (A) the premium is reasonable and is the product of an arm's length transaction between sophisticated business people, ably represented by counsel; (B) the premium shall be payable notwithstanding the then prevailing market rates at the time payment is made; (C) there has been a course of conduct between Holders and the Company and the Guarantors giving specific consideration in this transaction for such agreement to pay the premium; and (D) each of the Company and the Guarantors shall be estopped hereafter from claiming differently than as agreed to in this paragraph. Each of the Company and the Guarantors expressly acknowledges that its agreement to pay the premium to Holders as herein described is a material inducement to Holders to purchase the Notes.

To the extent such amounts are not repaid immediately, any post-acceleration payments made by the Company or any Guarantor shall be additional compensation for such failure to repay such amounts and shall not be a credit against any claim relating to such amounts. The Company and the Guarantors will each expressly waive the provisions of any present or future statute or law which prohibits or may prohibit the collection of such amounts or damages in connection with any such acceleration of the obligations, rescission of such acceleration, earlier maturity of the Notes or the commencement of any insolvency proceeding or other proceeding pursuant to any Bankruptcy Laws or pursuant to a plan of reorganization.

Section 6.02. *Acceleration.*

(a) *Automatic Acceleration in Certain Circumstances*. If an Event of Default specified in Section 6.01(a)(xiii) or 6.01(a)(xiv) hereof occurs with respect to the Company, the amounts due under Section 6.01(c) on all of the then outstanding Notes will immediately become due and payable without any further action or notice by any party.

(b) *Optional Acceleration*. If any other Event of Default occurs and is continuing, the Trustee, by delivering a written notice to the Company (with a copy to the Collateral Agent), or the Holders of at least 25% in aggregate principal amount of the Notes then outstanding, by delivering a written notice to the Company, the Collateral Agent and the Trustee, may declare the amounts due under Section 6.01(c) on all then outstanding Notes immediately due and payable, and upon such declaration, such amounts will immediately become due and payable.

(c) *Rescission of Acceleration*. Notwithstanding anything to the contrary in this Indenture, the Holders of a majority of the aggregate principal amount of the then outstanding Notes may, on behalf of the Holders of all of the then outstanding Notes, rescind any acceleration of the Notes and its consequences hereunder by delivering notice to the Trustee and the Collateral Agent if (i) such rescission would not conflict with any judgment or decree of a court of competent jurisdiction and (ii) all existing Events of Default (other than the nonpayment of any amounts that have become due solely as a result of acceleration) have been cured or waived. No such rescission will affect any subsequent Default or impair any right consequent thereto.

Section 6.03. *Other Remedies*. If an Event of Default occurs and is continuing, the Trustee and the Collateral Agent may pursue any available remedy to collect the payment of principal, accrued and unpaid interest, if any, or payment of the Fundamental Change Repurchase Price or Redemption Price for, the Notes or to enforce the performance of any provision of the Notes or this Indenture regarding any other matter. The Trustee and the Collateral Agent may maintain a proceeding even if it does not possess any of the Notes or does not produce any of the Notes in the proceeding. A delay or omission by the Trustee, the Collateral Agent or any Holder in exercising any right or remedy accruing upon an Event of Default will not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. No remedy is exclusive of any other remedy. All available remedies are cumulative.

Section 6.04. *[Reserved]*.

Section 6.05. *Waiver of Past Defaults*. If an Event of Default described in Sections 6.01(a)(i), 6.01(a)(ii), 6.01(a)(iii), 6.01(a)(iv), 6.01(a)(v) or 6.01(a)(vii) (which, in the case of Section 6.01(a)(vii) only, relates to a covenant that cannot be amended without the consent of each affected Holder) or a Default that would lead to such an Event of Default occurs and is continuing, such Event of Default or Default may be waived only with the consent of each affected Holder. Every other Event of Default or Default may be waived by the Holders of a majority of the aggregate principal amount of then outstanding Notes. Whenever any Event of Default is so waived, it will cease to exist, and whenever any Default is so waived, it will be deemed cured and any Event of Default arising therefrom will be deemed not to occur. However, no such waiver will extend to any subsequent or other Default or Event of Default or impair any consequent right.

Section 6.06. *Control by Majority*. At any time, the Holders of a majority of the aggregate principal amount of then outstanding Notes may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or the Collateral Agent, or for exercising any trust or power conferred on the Trustee or the Collateral Agent. However, the Trustee or the Collateral Agent may each refuse to follow any direction that conflicts with law or this Indenture or, subject to Section 7.01 hereof, that the Trustee or the Collateral Agent determines to be unduly prejudicial to the rights of a Holder, the Collateral Agent or to the Trustee, or that would potentially involve the Trustee or the Collateral Agent in personal liability unless the Trustee and the Collateral Agent are each offered indemnity or security satisfactory to it against any loss, liability or expense to the Trustee and the Collateral Agent that may result from the Trustee's or the Collateral Agent instituting such proceeding as the Trustee or the Collateral Agent, as applicable. Prior to taking any action hereunder, the Trustee and the Collateral Agent will be entitled to indemnification satisfactory to it against all losses, liabilities and expenses caused by taking or not taking such action.

Section 6.07. *Limitation on Suits*. Except to enforce (i) its rights to receive the principal of, the Fundamental Change Repurchase Price or the Redemption Price for, interest, if any, on, a Note, or (ii) its rights to receive the consideration due upon conversion of any Note (including any Make-Whole Premium), no Holder may pursue a remedy with respect to this Indenture or the Notes unless:

(a) such Holder has previously delivered to the Trustee written notice that an Event of Default has occurred and is continuing;

(b) the Holders of at least 25% of the aggregate principal amount of then-outstanding Notes deliver to the Trustee a written request that the Trustee pursue a remedy with respect to such Event of Default;

(c) such Holder or Holders have offered and, if requested, provided, to the Trustee security or indemnity satisfactory to the Trustee against any loss, liability or other expense of compliance with such written request;

(d) the Trustee has not complied with such written request within 60 days after receipt of such written request and offer of security or indemnity; and

(e) during such 60-day period, the Holders of a majority of the aggregate principal amount of then outstanding Notes did not deliver to the Trustee a direction inconsistent with such written request. A Holder may not use this Indenture to prejudice the rights of any other Holder or to obtain a preference or priority over any other Holder, it being understood that the Trustee does not have any affirmative duty to ascertain whether any usage of this Indenture by a Holder is unduly prejudicial to such other Holders.

Section 6.08. *Rights of Holders to Receive Payment*. Notwithstanding any other provision of this Indenture and any provision of any Note, each Holder shall have the right to receive payment or delivery, as the case may be, of (x) the principal (including the Redemption Price and the Fundamental Change Repurchase Price, if applicable) of, (y) accrued and unpaid interest, if any, on, and (z) the consideration (including any Make-Whole Premium) due upon conversion of, such Note, on or after the respective due dates expressed or provided for in such Note or in this Indenture, or to institute suit for the enforcement of any such payment or delivery, as the case may be.

Section 6.09. *Collection Suit by Trustee*. If an Event of Default specified in Section 6.01(a)(i), 6.01(a)(ii), 6.01(a)(iii), 6.01(a)(iv) or 6.01(a)(v) hereof occurs and is continuing, the Trustee is authorized to recover judgment in its own name and as trustee of an express trust against the Company for the whole amount of principal of, the Fundamental Change Repurchase Price or the Redemption Price for, interest, if any, on, and the consideration (including any Make-Whole Premium), if any, due upon conversion of, the Notes, and, to the extent lawful, any Default Interest on any Defaulted Amounts, and such further amount as is sufficient to cover the costs and expenses of collection provided for under Section 7.06 hereof.

Section 6.10. *Trustee and the Collateral Agent May File Proofs of Claim*. The Trustee and the Collateral Agent are each authorized to file such proofs of claim and other papers or documents as may be necessary or advisable to have the claims of the Trustee, the Collateral Agent and the Holders allowed in any judicial proceedings relative to the Company, its creditors or its property and, unless prohibited by law or applicable regulations, will be entitled to collect, receive and distribute any money or other property payable or deliverable on any such claims, and any Custodian in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee or the Collateral Agent, as applicable, and in the event that the Trustee or the Collateral Agent, as applicable, consents to the making of such payments directly to the Holders, to pay to the Trustee or the Collateral Agent, as applicable, any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, the Collateral Agent, their respective agents and counsel, and any other amounts due the Trustee and the Collateral Agent under Section 7.06 hereof, Section 16 of the U.S. Security Agreement and any other Note Documents. To the extent that the payment of any such compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee or the Collateral Agent under Section 7.06 hereof, Section 16 of the U.S. Security Agreement or under any other section of any Note Documents out of the estate in any such proceeding, will be denied for any reason, payment of the same will be secured by a lien on, and will be paid out of, any and all distributions, dividends, money, securities and other properties that the Holders may be entitled to receive in such proceeding whether in liquidation or under any plan of reorganization or arrangement or otherwise. Nothing herein contained will be deemed to authorize the Trustee or the Collateral Agent to authorize or consent to, or to accept or to adopt on behalf of any Holder, any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder, or to authorize the Trustee or the Collateral Agent to vote in respect of the claim of any Holder in any such proceeding.

Section 6.11. *Priorities*. If the Trustee or the Collateral Agent, as the case may be, collects any money or property pursuant to this Article 6 (including proceeds from the exercise of any remedies on the Collateral), it will pay out the money or property in the following order:

FIRST: ratably to the Trustee and the Collateral Agent and their respective agents and attorneys for amounts due under the Note Documents, including payment of all compensation, expenses, indemnities and liabilities incurred, and all advances made, by the Trustee or the Collateral Agent and the costs and expenses of collection;

SECOND: to the Holders, for any amounts due and unpaid on the principal of, the Fundamental Change Repurchase Price or the Redemption Price for, accrued and unpaid interest on, and any consideration (including any Make-Whole Premium) due upon the conversion of, any Note, without preference or priority of any kind, according to such amounts due and payable on all of the Notes; and

THIRD: the balance, if any, to the Company or to such other party as a court of competent jurisdiction directs.

The Trustee may fix a record date and payment date for any payment to the Holders pursuant to this Section 6.11. If the Trustee so fixes a record date and a payment date, at least 15 days prior to such record date, the Company will deliver to each Holder and the Trustee a written notice, which notice will state such record date, such payment date and the amount of such payment.

Section 6.12. *Undertaking for Costs.* In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as Trustee, a court in its discretion may require the filing by any party litigant in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees and expenses, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 6.12 does not apply to a suit by the Trustee, a suit by a Holder pursuant to Section 6.08 hereof or a suit by Holders of more than 10% in aggregate principal amount of the then outstanding Notes.

Article 7
TRUSTEE

Section 7.01. *Duties of Trustee.*

(a) If an Event of Default has occurred and is continuing, the Trustee will exercise the rights and powers vested in it by this Indenture, and use the same degree of care and skill in its exercise as a prudent Person would exercise or use under the circumstances in the conduct of such Person's own affairs.

(b) Except during the continuance of an Event of Default:

(i) the Trustee undertakes to perform such duties, and only such duties, as are specifically set forth in this Indenture, and no implied covenants or obligations will be read into this Indenture against the Trustee; and

(ii) in the absence of bad faith on its part, the Trustee may conclusively rely upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture.

(c) The Trustee may not be relieved from liabilities for its own negligent action, its own negligent failure to act, or its own willful misconduct, as conclusively determined by the final judgment of a court of competent jurisdiction, no longer subject to appeal or review, except that:

(i) this paragraph does not limit the effect of Section 7.01(b) hereof;

(ii) the Trustee will not be liable for any error of judgment made in good faith by a Trust Officer unless it is proved that the Trustee was negligent as conclusively determined by the final judgment of a court of competent jurisdiction, no longer subject to appeal or review, in ascertaining the pertinent facts; and

(iii) the Trustee will not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to the Note Documents.

(d) Whether herein expressly so provided, every provision of this Indenture that in any way relates to the Trustee is subject to Section 7.01 hereof.

(e) The Trustee will not be liable for interest on or the investment of any money received or held by it or risk or expend any of its own funds.

(f) Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law.

(g) No provision of this Indenture or any other Note Documents will require the Trustee to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers.

(h) Every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee will be subject to the provisions of this Article 7, and the provisions of this Article 7 will apply to the Trustee, Collateral Agent (subject to Article 14), Registrar, Paying Agent and Conversion Agent.

(i) The Trustee will not be deemed to have notice of a Default or an Event of Default unless a Trust Officer of the Trustee has received written notice at its Corporate Trust Office thereof from the Company or any Holder

(j) The Trustee shall not be liable in respect of any payment (as to the correctness or calculation of amount, entitlement to receive or any other matters relating to payment) or notice effected by the Company or any Paying Agent or any records maintained by any co-Registrar with respect to the Notes.

(k) If any party fails to deliver a notice relating to an event the fact of which, pursuant to this Indenture or any other Note Documents, requires notice to be sent to the Trustee, the Trustee may conclusively rely on its failure to receive such notice as reason to act as if no such event occurred.

Section 7.02. *Rights of Trustee.*

(a) The Trustee may conclusively rely upon any document believed by it to be genuine and to have been signed or presented by the proper person. The Trustee need not investigate any fact or matter stated in the document. The Trustee may, however, in its discretion make such further inquiry or investigation into such facts or matters as it may see fit and, if the Trustee determines to make such further inquiry or investigation, it will be entitled to examine the books, records and premises of the Company, personally or by agent or attorney and at the expense of the Company, and will incur no liability of any kind by reason of such inquiry or investigation.

(b) Before the Trustee acts or refrains from acting, it may require an Officers' Certificate or an Opinion of Counsel or both. The Trustee will not be liable for any action it takes or omits to take in good faith in reliance on the Officers' Certificate or Opinion of Counsel.

(c) The Trustee may act through agents, attorneys or custodians and will not be responsible for the misconduct or negligence of any agent, attorney or custodian appointed with due care.

(d) So long as the Trustee's conduct does not constitute willful misconduct or negligence, the Trustee will not be liable for any action it takes or omits to take in good faith that it believes to be authorized or within the rights or powers conferred upon it by this Indenture.

(e) The Trustee may consult with counsel of its own selection, and the advice or Opinion of Counsel with respect to legal matters relating to this Indenture, any other Note Documents and the Notes will be full and complete authorization and protection from liability in respect to any action taken, omitted or suffered by it hereunder in good faith and in accordance with the advice or opinion of such counsel.

(f) The permissive rights of the Trustee to do things enumerated in this Indenture or any other Note Documents will not be construed as a duty.

(g) The Trustee will be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders pursuant to this Indenture, unless such Holders have offered to the Trustee security or indemnity satisfactory to the Trustee against the costs, expenses and liabilities that might be incurred by it in compliance with such request or direction.

(h) The rights, privileges, protections, immunities and benefits given to the Trustee, including its right to be indemnified, are extended to, and will be enforceable by, the Trustee (i) in each of its capacities under the Note Documents, and each agent, custodian and other Person employed to act hereunder, including the Collateral Agent, Registrar, Paying Agent and Conversion Agent and (ii) in each document related hereto to which it is a party.

(i) The Trustee may request that each of the Company and the Guarantors deliver an Officers' Certificate setting forth the names of individuals and/or titles of Officers authorized at such time to take specified actions pursuant to this Indenture, which Officers' Certificate may be signed by any Person authorized to sign an Officers' Certificate, including any Person specified as so authorized in any such certificate previously delivered and not superseded.

(j) In no event will the Trustee be responsible or liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(k) Any request, direction, order or demand of the Company or any Guarantor mentioned herein shall be sufficiently evidenced by an Officers' Certificate (unless other evidence in respect thereof be herein specifically prescribed); and any resolution of the Board of Directors may be evidenced to the Trustee by a Board Resolution.

(l) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Company, personally or by agent or attorney (at the reasonable expense of the Company and shall incur no liability of any kind by reason of such inquiry or investigation).

(m) The Trustee shall not be liable for any action taken, suffered, or omitted to be taken by it in good faith and reasonably believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture or any other Note Documents.

(n) Under no circumstances shall the Trustee, the Paying Agent, the Registrar or the Conversion Agent have any liability or responsibility with respect to, or obligation or duty to monitor, determine or inquire as to the Company's or any Guarantor's compliance with any covenant under this Indenture (other than the covenant to make payment on the Notes).

Section 7.03. *Individual Rights of Trustee.* The Trustee in its individual or any other capacity may become the owner or pledgee of Notes and may otherwise deal with the Company or its Affiliates with the same rights it would have if it were not Trustee. However, if the Trustee acquires any conflicting interest it must eliminate the conflict within 90 days or resign. Any Paying Agent, Registrar, Conversion Agent or co-registrar may do the same with like rights. However, the Trustee must comply with Section 7.09 hereof.

Section 7.04. *Trustee's Disclaimer.* The Trustee will not be responsible for and makes no representation as to the validity, priority or adequacy of this Indenture, any other Note Document, the Notes, any Note Guarantee or of any offering materials, it will not be accountable for the Company's use of the proceeds from the Notes, and it will not be responsible for any statement of the Company in this Indenture any other Note Document, or in any document issued in connection with the sale of the Notes or in the Notes other than the Trustee's certificate of authentication.

Section 7.05. *Notice of Defaults.* If a Default occurs and is continuing and of which a Trust Officer is deemed to have knowledge in accordance with Section 7.01(c), the Trustee will send to each Holder notice of the Default within 30 days after written notice of such Default is received by the Trustee; provided, however, that except in the case of a Default that is, or would lead to, an Event of Default described in Section 6.01(a)(i), 6.01(a)(ii), 6.01(a)(iii), 6.01(a)(iv) or 6.01(a)(v) hereof, the Trustee may withhold the notice if and so long as a committee of its Trust Officers in good faith determines that withholding the notice is in the interests of Holders.

Section 7.06. *Compensation and Indemnity.*

(a) The Company will pay to the Trustee, from time to time, such compensation as will be agreed upon, from time to time, in writing for its services. The Trustee's compensation will not be limited by any law on compensation of a trustee of an express trust. The Company will reimburse the Trustee upon request for all reasonable out-of-pocket fees and expenses incurred or made by it, including costs of collection, in addition to the compensation for its services. Such expenses will include the reasonable compensation, fees and expenses, disbursements and advances of the Trustee's agents, counsel, accountants and experts. Each of the Company and the Guarantors, jointly and severally will fully indemnify the Trustee against any and all loss, liability, claim, damage or expense (including reasonable attorneys' fees and expenses) incurred by it in connection with the acceptance and administration of this trust, the performance of its duties and/or the exercise of its rights hereunder, including the costs and expenses of defending itself against any claim (whether asserted by the Company, any Holder or any other Person). The Trustee will notify the Company promptly of any claim for which it may seek indemnity. Failure by the Trustee to so notify the Company of any claim for which it may seek indemnity of which a Trust Officer has actually received written notice will not relieve the Company of its obligations hereunder except to the extent such failure is adjudicated by a court of competent jurisdiction to have materially prejudiced the Company. The Company will defend the claim and the Trustee will cooperate in the defense. If the Trustee is advised by counsel that it may have available to it defenses that are in conflict with the defenses available to the Company, then the Trustee may have separate counsel, and each of the Company and the Guarantors, jointly and severally, will pay the reasonable fees and expenses of such counsel. Each of the Company and the Guarantors, jointly and severally, will pay the reasonable fees and expenses of counsel to the Trustee incurred in evaluating whether such defense and/or conflict exists. The Company need not reimburse any expense or indemnify against any loss, liability or expense incurred by the Trustee through the Trustee's own willful misconduct or negligence. The Company need not pay for any settlement made by the Trustee without the Company's consent, such consent not to be unreasonably withheld. All indemnifications and releases from liability granted hereunder to the Trustee will extend to its officers, directors, employees, agents, attorneys, custodians, successors and assigns.

(b) To secure the Company's and each Guarantor's payment obligations, as applicable, under this Section 7.06 and Section 16 of the U.S. Security Agreement and under Section 19 of each of the Israeli Security Agreements, the Trustee and the Collateral Agent will have a senior claim to which the Notes are hereby made subordinate on all money or property held or collected by the Trustee or the Collateral Agent, other than money or property held in trust to pay the principal, accrued and unpaid interest, if any, or payment of the Fundamental Change Repurchase Price or Redemption Price on particular Notes.

(c) The Company's and each Guarantor's payment obligations pursuant to this Section 7.06 will survive the resignation or removal of the Trustee, the payment of the Notes and the discharge of this Indenture. If the Trustee incurs expenses after the occurrence of a Default specified in Sections 6.01(a)(xiii) or 6.01(a)(xiv) hereof with respect to the Company, the expenses are intended to constitute expenses of administration under the Bankruptcy Law.

Section 7.07. *Replacement of Trustee.*

(a) The Trustee may resign at any time by notifying the Company, in writing, at least 30 days prior to the proposed resignation. The Holders of a majority in aggregate principal amount of then outstanding Notes may remove the Trustee by notifying the Trustee, in writing, at least 30 days prior to the proposed removal. The Company may remove the Trustee upon 30 days' prior written notice, if:

(i) the Trustee fails to comply with Section 7.09 hereof;

(ii) the Trustee is adjudged bankrupt or insolvent;

(iii) a receiver or other public officer takes charge of the Trustee or its property; or

(iv) the Trustee otherwise becomes incapable of acting.

(b) If the Trustee resigns, is removed by the Company or by the Holders of a majority in aggregate principal amount of the Notes then outstanding, or if a vacancy exists in the office of Trustee for any reason (the Trustee in such event being referred to herein as the retiring Trustee), the Company will promptly appoint a successor Trustee.

(c) A successor Trustee will deliver a written acceptance of its appointment to the retiring Trustee and to the Company. Thereupon, the resignation or removal of the retiring Trustee will become effective, and the successor Trustee will have all the rights, powers and duties of the Trustee under this Indenture. The successor Trustee will send a notice of its succession to Holders. The retiring Trustee will, upon payment of all of its costs and the costs of its agents and counsel, promptly transfer all property held by it as Trustee to the successor Trustee, subject to the lien provided for in Section 7.06 hereof.

(d) If a successor Trustee does not take office within 60 days after the retiring Trustee resigns or is removed, the retiring Trustee, the Company or the Holders of at least 10% of the aggregate principal amount of the Notes then outstanding may petition, at the expense of the Company, any court of competent jurisdiction for the appointment of a successor Trustee.

(e) If the Trustee, after written request by any Holder, fails to comply with Section 7.09 hereof, such Holder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

(f) Notwithstanding the replacement of the Trustee pursuant to this Section 7.07, the Company's obligations under Section 7.06 hereof will continue for the benefit of the retiring Trustee.

Section 7.08. *Successor Trustee by Merger.*

(a) If the Trustee consolidates with, merges or converts into, or transfers all or substantially all its corporate trust business or assets to, another corporation or banking association, the resulting, surviving or transferee corporation or banking association without any further act will be the successor Trustee.

(b) In case at the time such successor or successors by merger, conversion or consolidation to the Trustee succeeds to the trusts created by this Indenture, any of the Notes have been authenticated, but not delivered, any such successor to the Trustee may adopt the certificate of authentication of any predecessor Trustee, and deliver such Notes so authenticated; and, in case at that time any of the Notes have not been authenticated, any such successor to the Trustee may authenticate such Notes, either in the name of any predecessor Trustee hereunder or in the name of the successor to the Trustee.

Section 7.09. *Eligibility; Disqualification.* The Trustee will have (or, in the case of a corporation included in a bank holding company system, the related bank holding company will have) a combined capital and surplus of at least $100,000,000, as set forth in its (or its related bank holding company's) most recent published annual report of condition.

Section 7.10. *Trustee's Application for Instructions from the Company.* Any application by the Trustee for written instructions from the Company may, at the option of the Trustee, set forth in writing any action proposed to be taken or omitted by the Trustee under this Indenture or any other Note Document and the date on and/or after which such action will be taken or such omission will be effective. The Trustee will not be liable to the Company for any action taken by, or omission of, the Trustee in accordance with a proposal included in such application on or after the date specified in such application (which date will not be less than three Business Days after the date any Officer actually receives such application, unless any such Officer has consented in writing to any earlier date), unless prior to taking any such action (or the effective date in the case of any omission), the Trustee has received written instructions in response to such application specifying the action to be taken or omitted.

Article 8
SATISFACTION AND DISCHARGE

Section 8.01. *Discharge of Liability on Notes.* When (a)(i) the Company delivers to the Trustee all outstanding Notes (other than Notes replaced pursuant to Section 2.11 hereof) for cancellation or (ii) all outstanding Notes have become due and payable, by reason of the issuance of a Redemption Notice or otherwise, and the Company irrevocably deposits with the Trustee or delivers to the Holders, as applicable, cash (and/or shares of Common Stock (or, if applicable, Reference Property) and cash (in lieu of fractional shares of Common Stock or, if applicable, units of Reference Property) solely to satisfy amounts due and owing as a result of conversions of the Notes), sufficient to pay all amounts due and owing on all outstanding Notes (other than Notes replaced pursuant to Section 2.11 hereof), (b) the Company pays all other sums payable by it under the Note Documents and (c) the Company delivers to the Trustee and the Collateral Agent an Officers' Certificate and an Opinion of Counsel, each stating that all of the applicable conditions precedent to the discharge of this Indenture described in this section have been satisfied, then, subject to Section 7.06 hereof, this Indenture will cease to be of further effect with respect to the Notes and the Holders and the Trustee will acknowledge the satisfaction and discharge of this Indenture with respect to the Notes.

Notwithstanding the satisfaction and discharge of this Indenture, (i) any obligation of the Company to any Holder under Article 10 hereof with respect to the conversion of any Note, to the Trustee under Article 7 hereof with respect to compensation or indemnity or to the Collateral Agent under Section 16 of the U.S. Security Agreement and under Section 19 of each of the Israeli Security Agreements with respect to compensation or indemnity, and (ii) any obligation of the Trustee with respect to money deposited with the Trustee under this Article 8 and Section 15.02 hereof will survive.

Section 8.02. *Repayment to the Company.* Subject to any applicable unclaimed property law, the Trustee and the Paying Agent, upon receiving a written request from the Company, will promptly turn over to the Company any cash held for payment on the Notes that remains unclaimed two years (unless a shorter period is provided for in this Indenture) after the date on which such payment was due. After the Trustee and the Paying Agent return such cash to the Company, the Trustee and the Paying Agent will have no further liability to any Holder with respect to such cash and any Holder entitled to the payment of such cash, or any securities, including shares of Common Stock, or other property under the Notes or this Indenture must look to the Company for payment as a general creditor of the Company.

Article 9
AMENDMENTS, SUPPLEMENTS AND WAIVERS

Section 9.01. *Without Consent of Holders.* The Company, the Guarantors, the Trustee and the Collateral Agent (if applicable) may amend or supplement this Indenture, the Notes or the Note Guarantees and the relevant parties to the Security Documents may amend such Security Documents without the consent of any Holder:

(a) to add guarantees or additional obligors with respect to the Company's obligations under this Indenture or the Notes;

(b) to allow any Guarantor to execute a supplemental indenture and provide a Note Guarantee with respect to the Notes or to release a Guarantor as provided in this Indenture;

(c) to provide for the assumption of the Company's or a Guarantor's obligations under this Indenture and under the Notes or Note Guarantees, as applicable, by a Reorganization Successor Corporation as described in Article 5 or Article 12 hereof;

(d) in connection with any Merger Event, to provide that the Notes are convertible into Reference Property, subject to the provisions of Section 10.02, and to make such related changes to the terms of the Notes to the extent expressly required by Section 10.08;

(e) to surrender any right or power conferred upon the Company or a Guarantor under this Indenture;

(f) to add to the Company's or a Guarantor's covenants for the benefit of the Holders;

(g) to cure any ambiguity or correct any inconsistency or defect in this Indenture or in the Notes that does not adversely affect Holders;

(h) to comply with any requirement of the SEC in connection with any qualification of this Indenture or a supplement hereto under the TIA;

(i) to evidence the acceptance of appointment by a successor Trustee with respect to this Indenture;

(j) to comply with the rules of any applicable depositary;

(k) to make, complete, confirm or add any grant of Collateral permitted or required by this Indenture, or any of the Security Documents or any release of Collateral that is permitted under this Indenture and the Security Documents;

(l) to provide for the issuance of Additional Notes in accordance with the limitations set forth in this Indenture;

(m) to irrevocably elect a Conversion Settlement Method or Make-Whole Settlement Method; or

(n) to make any other change; *provided* that such change individually, or in the aggregate with all other such changes, does not have, and will not have, an adverse effect on the interest of the Holders. In addition, the Collateral Agent or the Israeli Security Trustee, as applicable, will be authorized to amend the Security Documents to which each is a party to add additional Secured Parties holding senior lien obligations permitted by this Indenture with the same Lien priorities and rights as provided in the Security Documents or to enter into intercreditor arrangements with the holders of any such Indebtedness so long as the terms of such intercreditor arrangements are not less favorable to the Holders than the intercreditor provisions contained in the Security Documents.

If any amendment to, or waiver of, the provisions of this Indenture, the Notes, the Note Guarantees, any Security Document to which it is a party or any other Note Document affects the rights or obligations of the Collateral Agent or the Israeli Trustee, as applicable, then in such case the consent of the Collateral Agent or the Israeli Trustee, as applicable, shall also be required.

Section 9.02. *With Consent of Holders.* With the written consent of the Holders of at least a majority of the aggregate principal amount of the Notes then outstanding (including consents obtained in connection with a repurchase of, or tender offer or exchange offer for, Notes), by Act of such Holders delivered to the Company, the Collateral Agent and the Trustee, the Collateral Agent (if applicable) and the Company and the Guarantors (each when authorized by a Board Resolution), and the Trustee and, if applicable, the Collateral Agent may amend or supplement (or waive compliance with any provision of) this Indenture, the Notes or the Note Guarantees and the relevant parties to the Security Documents may amend (or waive compliance with any provision of) such Security Documents; *provided*, *however*, that without the consent of each affected Holder, no amendment or supplement to, or waiver of, any provision of this Indenture, the Notes, the Note Guarantees or any Security Documents, may:

(a) reduce the principal amount of, or change the Maturity Date of, any Note;

(b) reduce the rate of, or extend the stated time for payment of, interest on any Note;

(c) reduce the Fundamental Change Repurchase Price or the Redemption Price of any Note or change the time at which, or the circumstances under which, the Notes may, or will be, redeemed or repurchased;

(d) impair the right of any Holder to institute suit for any payment on any Note, including with respect to any consideration due upon conversion (including any Make-Whole Premium) of a Note;

(e) make any Note payable in a currency other than that stated in the Note;

(f) make any change that impairs or adversely affects the conversion rights of any Holder under Article 10 hereof or otherwise reduces the number of shares of Common Stock, amount of cash or any other property receivable by a Holder upon conversion;

(g) change the ranking of the Notes;

(h) reduce any voting requirements included in this Indenture;

(i) make any change to any amendment, modification or waiver provision of this Indenture that requires the consent of each affected Holder;

(j) reduce the percentage of the aggregate principal amount of then outstanding Notes whose Holders must consent to an amendment of this Indenture or a waiver of a past default; or

(k) release any Guarantor from any of its obligations under its Note Guarantee or this Indenture, except in accordance with the terms of this Indenture.

In addition, (x) any amendment to, or waiver of, the provisions of this Indenture, the Notes, the Note Guarantees or any Security Document that has the effect of releasing all or substantially all of the Collateral from the Note Liens or (y) any changes in the provisions of this Indenture or any material change in the provisions in the Security Documents, in each case dealing with the application of proceeds of Collateral upon exercise of remedies with respect to such Collateral that adversely affects the Holders, shall require the consent of the Holders of at least 66 and 2/3% in aggregate principal amount of the Notes then outstanding under this Indenture (including any consents obtained in connection with a tender offer or exchange for the Notes). If any amendment, to, or waiver of, the provisions of this Indenture, the Notes, the Note Guarantees, any Security Document or any other Note Document to which it is a party affects the rights or obligations of the Collateral Agent or the Israeli Security Trustee, as applicable, then in such case the consent of the Collateral Agent or the Israeli Security Trustee, as applicable, shall also be required.

It will not be necessary for the consent of the Holders under this Section 9.02 to approve the particular form of any proposed amendment, but it will be sufficient if such consent approves the substance of such proposed amendment.

Section 9.03. *Execution of Supplemental Indentures*. Upon the request of the Company, the Trustee will sign any supplemental indenture authorized pursuant to this Article 9 if the amendment contained therein does not affect the rights, duties, liabilities or immunities of the Trustee under this Indenture. If the supplemental indenture adversely affects the Trustee's rights, duties, liabilities or immunities under this Indenture, then the Trustee may, but need not, sign such supplemental indenture. In executing any such supplemental indenture, the Trustee and, to the extent applicable, the Collateral Agent will each be provided with, and, subject to the provisions of Section 7.01 hereof, will be fully protected in conclusively relying upon, an Officers' Certificate and an Opinion of Counsel stating that such supplemental indenture is authorized and permitted under this Indenture and the other Note Documents.

Section 9.04. *Notices of Supplemental Indentures or Security Documents*. After an amendment or supplement to this Indenture or the Notes or the Security Documents pursuant to Sections 9.01 or 9.02 hereof becomes effective, the Company will promptly deliver notice to the Trustee and the Collateral Agent, which notice will briefly describe the substance of such amendment or supplement to this Indenture or Security Document in reasonable detail and state the effective date of such amendment or supplement. The Company, or the Trustee, at the direction of the Company, will then promptly deliver a copy of such notice to each Holder. The failure to deliver such notice to each Holder, or any defect in such notice, will not impair or affect the validity of such amendment or supplement to this Indenture or Security Document.

Section 9.05. *Effect of Supplemental Indentures*. Upon the execution of any supplemental indenture under this Article 9:

(a) this Indenture, the Notes, the Note Guarantees and the Security Documents, as applicable, will be modified in accordance therewith;

(b) such supplemental indenture will form a part of this Indenture for all purposes; and

(c) every Holder of Notes theretofore, or thereafter, authenticated and delivered hereunder will be bound thereby.

Section 9.06. *Revocation and Effect of Consents, Waivers and Actions*.

(a) *Revocation*. Until an amendment, supplement or waiver becomes effective, a consent to it by a Holder is a continuing consent by the Holder, and every subsequent Holder of a Note or portion of a Note that evidences the same debt as the consenting Holder's Note, even if notation of the consent is not made on any Note. However, any such Holder, or subsequent Holder, may revoke the consent as to its Note or portion of a Note if the Trustee receives the notice of revocation before the date the amendment, supplement or waiver becomes effective.

(b) *Special Record Dates*. The Company may, but is not obligated to, fix a record date for the purpose of determining the Holders entitled to give their consent or take any other action described above or required, or permitted, to be taken pursuant to this Indenture. If a record date is fixed, then those Persons who were Holders at such record date (or their duly designated proxies), and only those Persons, will be entitled to give such consent, to revoke any consent previously given or to take any such action, regardless of whether such Persons continue to be Holders after such record date. No such consent will be valid or effective for more than 120 days after such record date.

(c) *Binding Effect*. After an amendment, supplement or waiver becomes effective, it will bind every applicable Holder. Any amendment or supplement will become effective in accordance with the terms of the supplemental indenture relating thereto, which will become effective upon the execution thereof by the Trustee.

Section 9.07. *Notation on, or Exchange of, Notes*. If any amendment, supplement or waiver changes the terms of a Note, the Trustee may require the Holder of such Note to deliver such Note to the Trustee. The Trustee may place an appropriate notation on such Note about the changed terms and return it to the Holder. Alternatively, if the Company or the Trustee so determines, the Company, in exchange for the Note, will issue and the Trustee will authenticate a new Note that reflects the changed terms.

Article 10
CONVERSIONS

Section 10.01. *Conversion Privilege.* Subject to and upon compliance with the provisions of this Article 10, each Holder of a Note shall have the right, at such Holder's option, to convert all or any portion (if the portion to be converted is $1,000 principal amount or an integral multiple thereof) of such Note at any time prior to the Close of Business on the Business Day immediately preceding the Maturity Date (or, for any Notes called for redemption by the Company upon exercise of its Optional Redemption right, the Close of Business on the second Business Day immediately preceding the applicable Redemption Date) based on an initial conversion rate of 1,176.4706 shares of Common Stock (subject to adjustment as provided in this Article 10, the "**Conversion Rate**") per $1,000 principal amount of Notes (subject to, and in accordance with, the settlement provisions of Section 10.02, the "**Conversion Obligation**").

Section 10.02. *Conversion Procedure; Settlement Upon Conversion.*

(a) Subject to this Section 10.02, Section 10.04(b) and Section 10.08(a), upon conversion of any Note, the Company shall settle its Conversion Obligation by Cash Settlement, Physical Settlement or Combination Settlement, at the Company's option, in accordance with this Section 10.02.

(i) The Company will initially be deemed to have elected Capped Combination Settlement as the Conversion Settlement Method. On and after the Capped Combination Settlement Release Date, if at all, the Company may from time to time elect a different Conversion Settlement Method by written notice of such election (the "**Settlement Notice**") to Holders, the Trustee and the Conversion Agent. If the Company elects Combination Settlement as the Conversion Settlement Method, the Company shall also specify in such Settlement Notice the dollar amount per $1,000 principal amount of Notes up to which the Company will settle its Conversion Obligation in cash, excluding cash in lieu of fractional shares (the "**Cash Amount**"). Each such election (or deemed election) shall be effective until the Company provides a Settlement Notice to Holders, the Trustee and the Conversion Agent electing a different Conversion Settlement Method or Cash Amount, as applicable; *provided*, that no such Settlement Notice shall apply to any conversion of Notes unless the Company has delivered such Settlement Notice to Holders, the Trustee and the Conversion Agent on or prior to the Close of Business on the Business Day immediately following the relevant Conversion Date; *provided*, *further*, that the Company shall provide notice of the Conversion Settlement Method and, if applicable, Cash Amount (which, for the avoidance of doubt, must be Capped Combination Settlement at all times before the Capped Combination Settlement Release Date), and no Settlement Notice shall apply unless given, (x) for conversions with a Conversion Date on or after the date of issuance of a Redemption Notice and on or prior to the second Business Day preceding the relevant Redemption Date, in the relevant Redemption Notice, (y) for all conversions in connection with a given Make-Whole Adjustment Event, no later than the Effective Date of the Make-Whole Adjustment Event and (z) for conversions with a Conversion Date occurring on or after the 22nd Scheduled Trading Day immediately preceding the Maturity Date, on or prior to the Close of Business on the second Business Day immediately preceding such 22nd Scheduled Trading Day.

(ii) The Company shall use the same Conversion Settlement Method and, if applicable, Cash Amount for all conversions (A) having the same Conversion Date, (B) having a Conversion Date on or after the date of issuance of a Redemption Notice and on or prior to the second Business Day preceding the relevant Redemption Date, (C) in connection with a given Make-Whole Adjustment Event or (D) having a Conversion Date that is on or after the 22nd Scheduled Trading Day immediately preceding the Maturity Date. If the Company elects Combination Settlement in accordance with these provisions but omits to elect a Cash Amount, then the Cash Amount will be deemed to be (x) the Capped Combination Settlement Cash Amount for all conversions with a Conversion Date that is before the Capped Combination Settlement Release Date; and (y) $1,000 in all other cases. The Company will notify the Holders of the Notes, the Trustee and the Conversion Agent of the date the Company has obtained the NYSE MKT Stockholder Approval, if at all, and the occurrence of the Capped Combination Settlement Release Date no later than the date the NYSE MKT Stockholder Approval is obtained and the Capped Combination Settlement Release Date, respectively.

(iii) Except as set forth in Section 10.02(a)(i), Section 10.04(b) and Section 10.08(a), the Company shall settle its Conversion Obligation in accordance with one of the following "**Conversion Settlement Methods**," at the Company's election:

(A) If "Cash Settlement" applies with respect to any conversion, then, for each $1,000 principal amount of Notes converted, the Company shall pay to the converting Holder, on or before the third Business Day following the last VWAP Trading Day of the applicable Observation Period, an amount of cash equal to the sum of the Daily Conversion Values for each VWAP Trading Day during such Observation Period.

(B) If "Physical Settlement" applies with respect to any conversion, then, for each $1,000 principal amount of Notes converted, the Company shall deliver to the converting Holder, on or before the third Business Day following the Conversion Date, (1) a number of shares of Common Stock equal to the Conversion Rate on the Conversion Date and (2) cash in lieu of fractional shares, if any.

(C) If "Combination Settlement" applies with respect to any conversion, then, for each $1,000 principal amount of Notes converted, the Company shall pay and deliver to the converting Holder, on or before the third Business Day following the last VWAP Trading Day of the applicable Observation Period, (1) the sum of the Daily Settlement Amounts for each VWAP Trading Day of such Observation Period and (2) cash in lieu of fractional shares, if any.

(iv) Promptly following the last day of each Observation Period (if applicable), the Company shall notify the Trustee and the Conversion Agent of the Daily Settlement Amounts (if applicable) or the Daily Conversion Values (if applicable), and the amount of cash payable in lieu of delivering fractional shares of Common Stock (if applicable). The Trustee and the Conversion Agent shall have no responsibility for any such determination.

(b) Subject to Section 10.02(e), before any Holder of a Note shall be entitled to convert a Note as set forth above, such Holder shall (A) in the case of a Global Note, comply with the Applicable Procedures in effect at that time and (B) in the case of a Definitive Note (1) complete, manually sign and deliver an irrevocable notice to the Conversion Agent as set forth in the Form of Notice of Conversion (or a facsimile thereof) (a "**Notice of Conversion**") at the office of the Conversion Agent and state in writing therein the principal amount of Notes to be converted and the name or names (with addresses) in which such Holder wishes the certificate or certificates for any shares of Common Stock to be delivered upon settlement of the Conversion Obligation or the Make-Whole Obligation to be registered, (2) surrender such Notes, duly endorsed to the Company or in blank (and accompanied by appropriate endorsement and transfer documents), at the office of the Conversion Agent and (3) if required, furnish appropriate endorsements and transfer documents. The Trustee and the Conversion Agent shall notify the Company of any conversion pursuant to this Article 10 on the Conversion Date for such conversion. No Notice of Conversion with respect to any Notes may be surrendered by a Holder thereof if such Holder has also delivered a Fundamental Change Repurchase Notice to the Company in respect of such Notes and has not validly withdrawn such Fundamental Change Repurchase Notice in accordance with Section 3.02.

If more than one Note shall be surrendered for conversion at one time by the same Holder, the Conversion Obligation and the Make-Whole Obligation with respect to such Notes shall be computed on the basis of the aggregate principal amount of the Notes (or specified portions thereof to the extent permitted thereby) so surrendered.

(c) Subject to Section 10.02(i), a Note shall be deemed to have been converted immediately prior to the Close of Business on the date (the "**Conversion Date**") that the Holder has complied with the requirements set forth in subsection (b) above. If any shares of Common Stock are due to converting Holders upon settlement of the Conversion Obligation or the Make-Whole Obligation, the Company shall issue or cause to be issued, and deliver (if applicable) to such Holder, or such Holder's nominee or nominees, the full number of shares of Common Stock to which such Holder shall be entitled, in certificate form or in book-entry format.

(d) In case any Definitive Note shall be surrendered for partial conversion, the Company shall execute and the Trustee shall authenticate and deliver to or upon the written order of the Holder of the Note so surrendered a new Note or Notes in authorized denominations in an aggregate principal amount equal to the unconverted portion of the surrendered Note, without payment of any service charge by the converting Holder but, if required by the Company or Trustee, with payment of a sum sufficient to cover any documentary, stamp or similar issue or transfer tax or similar governmental charge required by law or that may be imposed in connection therewith as a result of the name of the Holder of the new Notes issued upon such conversion being different from the name of the Holder of the old Notes surrendered for such conversion.

(e) If a Holder submits a Note for conversion, the Company shall pay any documentary, stamp or similar issue or transfer tax due on the issue of any shares of Common Stock upon settlement of the Conversion Obligation or the Make-Whole Obligation, unless the tax is due because the Holder requests such shares to be issued in a name other than the Holder's name, in which case the Holder shall pay that tax. The Transfer Agent may refuse to deliver the certificates representing the shares of Common Stock being issued in a name other than the Holder's name until the Trustee receives a sum sufficient to pay any tax that is due by such Holder in accordance with the immediately preceding sentence.

(f) Except as provided in Section 10.05, no adjustment shall be made for dividends on any shares of Common Stock issued upon the conversion of any Note as provided in this Article 10.

(g) Upon the conversion of an interest in a Global Note, the Trustee, or the custodian holding such Global Note for the Depositary at the direction of the Trustee, shall make a notation on such Global Note as to the reduction in the principal amount represented thereby. The Company shall notify the Trustee in writing of any conversion of Notes effected through any Conversion Agent other than the Trustee.

(h) On the Conversion Settlement Date with respect to any conversion of Notes, the Company shall pay in cash to the Holders of such converted Notes all accrued and unpaid interest on such Notes to, but not including, such Conversion Settlement Date; *provided* that, if the Conversion Date for any Note occurs after the Regular Record Date with respect to an Interest Payment Date and prior to such Interest Payment Date, the Company shall, in lieu of making such payment, pay, on or before such Interest Payment Date, the interest payable on such Note on such Interest Payment Date to the Holder of such Note as of the Close of Business on such Regular Record Date.

(i) The Person in whose name any shares of Common Stock shall be issuable upon settlement of the Conversion Obligation shall be treated as a stockholder of record as of the Close of Business on the relevant Conversion Date (if the Company elects to satisfy the Conversion Obligation by Physical Settlement) or the last VWAP Trading Day of the relevant Observation Period (if the Company elects to satisfy the Conversion Obligation by Combination Settlement). Upon a conversion of Notes, such Person shall no longer be a Holder of such Notes surrendered for conversion.

(j) The Company shall not issue any fractional share of Common Stock upon settlement of the Conversion Obligation and shall instead pay cash in lieu of delivering any fractional share of Common Stock based on the Daily VWAP for the relevant Conversion Date (in the case of Physical Settlement) or based on the Daily VWAP for the last VWAP Trading Day of the relevant Observation Period (in the case of Combination Settlement). For each Note surrendered for conversion, if the Company has elected Combination Settlement, the full number of shares that shall be issued upon settlement of the Conversion Obligation shall be computed on the basis of the aggregate Daily Settlement Amounts for the relevant Observation Period and any fractional shares remaining after such computation shall be paid in cash.

Section 10.03. *Make-Whole Premium upon Conversion.*

(a) In connection with the conversion of any Notes (except any conversion in connection with a Make-Whole Adjustment Event), in addition to settling the Conversion Obligation as set forth above under Section 10.02, the Company shall pay or deliver to the converting Holder, in respect of each $1,000 principal amount of Notes being converted, a Make-Whole Premium (subject to, and in accordance with, this Section 10.03, the "**Make-Whole Obligation**").

(i) The Company shall initially be deemed to have elected Cash Settlement as the Make-Whole Settlement Method. Subject to compliance with the applicable rules of any exchange on which any of the Company's securities are listed, the Company may from time to time elect a different Make-Whole Settlement Method by delivering a Settlement Notice containing such election to Holders, the Trustee and the Conversion Agent. Notwithstanding anything to the contrary, the Company must elect Cash Settlement to settle its Make-Whole Obligation for any conversion with a Conversion Date that occurs before the Capped Combination Settlement Release Date. If the Company elects Combination Settlement as the Make-Whole Settlement Method, the Company shall also specify in such Settlement Notice the dollar amount per $1,000 principal amount of Notes up to which the Company shall settle the Make-Whole Obligation in cash, excluding cash in lieu of fractional shares (the "**Cash Make-Whole Premium Amount**"). If the Company fails to so specify the Cash Make-Whole Premium Amount in any such Settlement Notice, the Company shall be deemed to have elected Cash Settlement as the Make-Whole Settlement Method. Each such election (or deemed election) shall be effective until the Company provides a Settlement Notice to Holders, the Trustee and the Conversion Agent of an election of a different Make-Whole Settlement Method or Cash Make-Whole Premium Amount, as applicable; *provided* that no such Settlement Notice shall apply to any conversion of Notes unless the Company has delivered such Settlement Notice to Holders, the Trustee and the Conversion Agent on or prior to the Close of Business on the Business Day immediately following the relevant Conversion Date; *provided*, *further*, that the Company shall provide notice of the Make-Whole Settlement Method and Cash Make-Whole Premium Amount, if applicable, and no Settlement Notice shall apply unless given, (x) for conversions with a Conversion Date on or after the date of issuance of a Redemption Notice and on or prior to the second Business Day preceding the relevant Redemption Date, in the relevant Redemption Notice and (y) for conversions with a Conversion Date occurring on or after the 22nd Scheduled Trading Day immediately preceding the Maturity Date, on or prior to the Close of Business on the second Business Day immediately preceding such 22nd Scheduled Trading Day.

(ii) The Company shall use the same Make-Whole Settlement Method and Cash Make-Whole Premium Amount, if applicable, for all conversions (A) having the same Conversion Date, (B) having a Conversion Date on or after the date of issuance of a Redemption Notice and on or prior to the second Business Day preceding the relevant Redemption Date or (C) having a Conversion Date that is on or after the 22nd Scheduled Trading Day immediately preceding the Maturity Date.

(iii) Subject to compliance with the applicable rules of any exchange on which any of the Company's securities are listed, and except as set forth in Section 10.03(a)(i) or Section 10.08(a), the Company shall settle its Make-Whole Obligation in connection with any conversion of Notes in accordance with one of the following "**Make-Whole Settlement Methods**":

(A) If "Cash Settlement" applies with respect to the Make-Whole Premium due upon any conversion, then, for each $1,000 principal amount of Notes converted, the Company shall pay to the converting Holder, on or before the third Business Day following the Conversion Date, an amount of cash equal to the Make-Whole Premium.

(B) If "Physical Settlement" applies with respect to the Make-Whole Premium due upon any conversion, then, for each $1,000 principal amount of Notes converted, the Company shall deliver to the converting Holder, on or before the third Business Day following the last VWAP Trading Day of the applicable Observation Period, (1) a number of shares of Common Stock equal to the Make-Whole Premium divided by the Conversion Make-Whole Share Price and (2) cash in lieu of fractional shares, if any.

(C) If "Combination Settlement" applies with respect to the Make-Whole Premium due upon any conversion, then, for each $1,000 principal amount of Notes converted, the Company shall pay and deliver to the converting Holder, on or before the third Business Day following the last VWAP Trading Day of the applicable Observation Period, (1) cash equal to the lesser of the Make-Whole Premium and the Cash Make-Whole Premium Amount, (2) a number of shares of Common Stock, if any, equal to the Share Make-Whole Premium Number and (3) cash in lieu of fractional shares, if any.

(iv) Promptly following the last day of each Observation Period to which Physical Settlement or Combination Settlement applies to a Make-Whole Obligation, the Company shall notify the Trustee and the Conversion Agent of the Conversion Make-Whole Share Price (if applicable), the Share Make-Whole Premium Number (if applicable) and the amount of cash payable in lieu of delivering fractional shares of Common Stock (if applicable). The Trustee and the Conversion Agent shall have no responsibility for any such determination.

(v) For the avoidance of doubt, the Company may elect to settle its Conversion Obligation by a Conversion Settlement Method that is different from the Make-Whole Settlement Method by which it settles its Make-Whole Obligation.

(b) The Person in whose name any shares of Common Stock shall be issuable upon settlement of the Make-Whole Obligation shall be treated as a stockholder of record as of the Close of Business on the last VWAP Trading Day of the relevant Observation Period.

(c) The Company shall not issue any fractional share of Common Stock upon settlement of the Make-Whole Obligation and shall instead pay cash in lieu of delivering any fractional share of Common Stock based on the Daily VWAP for the last VWAP Trading Day of the relevant Observation Period.

Section 10.04. *Increased Conversion Rate Applicable to Certain Notes Surrendered in Connection with Make-Whole Adjustment Events.*

(a) If the Effective Date of a Make-Whole Adjustment Event occurs prior to the Maturity Date and a Holder elects to convert its Notes in connection with such Make-Whole Adjustment Event, the Company shall, under the circumstances set forth below, increase the Conversion Rate for the Notes so surrendered for conversion by a number of additional shares of Common Stock (the "**Additional Shares**"), as set forth below. A conversion of Notes shall be deemed for these purposes to be "in connection with" such Make-Whole Adjustment Event if the relevant Conversion Date occurs during the period from, and including, the Effective Date of the Make-Whole Adjustment Event up to, and including, the Business Day immediately prior to the related Fundamental Change Repurchase Date (or, in the case of a Make-Whole Adjustment Event that is not also a Fundamental Change, the 35th Business Day immediately following the Effective Date of such Make-Whole Adjustment Event) (such period, the "**Make-Whole Adjustment Period**").

(b) Upon surrender of Notes for conversion in connection with a Make-Whole Adjustment Event, the Company shall, at its option, satisfy the related Conversion Obligation by Physical Settlement, Cash Settlement or Combination Settlement in accordance with Section 10.02; *provided*, *however*, that if, at the Effective Date of a Make-Whole Adjustment Event described in clause (b) of the definition of Change in Control, the Reference Property following such Make-Whole Adjustment Event is composed entirely of cash, for any conversion of Notes following the Effective Date of such Make-Whole Adjustment Event, the Conversion Obligation shall be calculated based solely on the Stock Price for the transaction and shall be deemed to be an amount of cash per $1,000 principal amount of converted Notes equal to the Conversion Rate (including any adjustment for Additional Shares), *multiplied by* such Stock Price. In such event, the Conversion Obligation shall be paid to Holders in cash on or before the third Business Day following the Conversion Date. The Company shall notify the Holders of Notes of the Effective Date of any Make-Whole Adjustment Event and issue a press release announcing such Effective Date no later than five Business Days after such Effective Date.

(c) The number of Additional Shares, if any, by which the Conversion Rate shall be increased shall be determined by reference to the table below, based on the date on which the Make-Whole Adjustment Event occurs or becomes effective (the "**Effective Date**") and the price (the "**Stock Price**") paid (or deemed to be paid) per share of the Common Stock in the Make-Whole Adjustment Event. If the holders of the Common Stock receive in exchange for their Common Stock only cash in a Make-Whole Adjustment Event described in clause (b) of the definition of Change in Control, the Stock Price shall be the cash amount paid per share. Otherwise, the Stock Price shall be the average of the Last Reported Sale Prices of the Common Stock over the five Trading Day period ending on, and including, the Trading Day immediately preceding the Effective Date of the Make-Whole Adjustment Event. The Board of Directors shall make appropriate adjustments to the Stock Price, in its good faith determination, to account for any adjustment to the Conversion Rate that becomes effective, or any event requiring an adjustment to the Conversion Rate where the Ex-Dividend Date, Effective Date (as such term is used in Section 10.05) or expiration date of the event occurs during such five consecutive Trading Day period.

(d) The Stock Prices set forth in the column headings of the table below shall be adjusted as of any date on which the Conversion Rate of the Notes is otherwise adjusted. The adjusted Stock Prices shall equal the Stock Prices applicable immediately prior to such adjustment, multiplied by a fraction, the numerator of which is the Conversion Rate immediately prior to such adjustment giving rise to the Stock Price adjustment and the denominator of which is the Conversion Rate as so adjusted. The number of Additional Shares set forth in the table below shall be adjusted in the same manner and at the same time as the Conversion Rate as set forth in Section 10.05.

(e) The following table sets forth the number of Additional Shares of Common Stock by which the Conversion Rate shall be increased per $1,000 principal amount of Notes pursuant to this Section 10.04 for each Stock Price and Effective Date set forth below:

Effective Date	Stock Price											
	$0.5595	$0.60	$0.70	$0.85	$1.05	$1.27	$1.50	$2.00	$2.50	$3.00	$4.00	$5.00
December 7, 2016	610.8394	610.0294	492.2437	378.0000	286.5770	227.6239	185.9961	135.3794	107.1694	80.6134	50.3194	22.3015
November 15, 2017	610.8394	580.0294	457.8151	342.2353	252.9580	197.9388	160.0627	115.7794	91.1694	71.0218	41.6184	20.7931
November 15, 2018	610.8394	547.5294	417.8151	299.1765	212.1008	161.7184	128.5294	92.2794	71.6894	55.2031	30.9177	17.0031
November 15, 2019	610.8394	512.5294	369.9580	245.5294	161.2437	117.2302	90.7294	64.3794	49.0294	35.9981	18.0338	10.5589
November 15, 2020	610.8394	499.3627	309.9580	172.5882	93.7199	61.7971	45.2627	32.8294	23.7795	15.3314	8.0762	4.6187
November 15, 2021	610.8394	490.1961	252.1008	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

The exact Stock Prices and Effective Dates may not be set forth in the table above, in which case:

(i) if the Stock Price is between two Stock Prices in the table above or the Effective Date is between two Effective Dates in the table, the number of Additional Shares shall be determined by a straight-line interpolation between the number of Additional Shares set forth for the higher and lower Stock Prices and the earlier and later Effective Dates, as applicable, based on a 365- or 366-day year, as applicable;

(ii) if the Stock Price is greater than $5.00 per share (subject to adjustment in the same manner as the Stock Prices set forth in the column headings of the table above pursuant to subsection (d) above), no Additional Shares shall be added to the Conversion Rate; and

(iii) if the Stock Price is less than $0.5595 per share (subject to adjustment in the same manner as the Stock Prices set forth in the column headings of the table above pursuant to subsection (d) above), no Additional Shares shall be added to the Conversion Rate.

Notwithstanding the foregoing, in no event shall the Conversion Rate per $1,000 principal amount of Notes exceed 1,787.3100 shares of Common Stock, subject to adjustment in the same manner as the Conversion Rate pursuant to Section 10.05.

(f) Nothing in this Section 10.04 shall prevent an adjustment to the Conversion Rate pursuant to Section 10.05 in respect of a Make-Whole Adjustment Event.

Section 10.05. *Adjustment of Conversion Rate.* The Conversion Rate shall be adjusted from time to time by the Company if any of the following events occurs, except that the Company shall not make any adjustments to the Conversion Rate if Holders of the Notes participate (other than in the case of (x) a share split or share combination or (y) a tender or exchange offer), at the same time and upon the same terms as holders of the Common Stock and solely as a result of holding the Notes, in any of the transactions described in this Section 10.05, without having to convert their Notes, as if they held a number of shares of Common Stock equal to the Conversion Rate, multiplied by the principal amount (expressed in thousands) of Notes held by such Holder.

(a) If the Company exclusively issues shares of Common Stock as a dividend or distribution on shares of the Common Stock, or if the Company effects a share split or share combination, the Conversion Rate shall be adjusted based on the following formula:

$$CR' = CR_0 \times \frac{OS'}{OS_0}$$

where,

CR_0 = the Conversion Rate in effect immediately prior to the Open of Business on the Ex-Dividend Date of such dividend or distribution, or immediately prior to the Open of Business on the Effective Date of such share split or share combination, as applicable;

CR' = the Conversion Rate in effect immediately after the Open of Business on such Ex-Dividend Date or Effective Date;

OS_0 = the number of shares of Common Stock outstanding immediately prior to the Open of Business on such Ex-Dividend Date or Effective Date; and

OS' = the number of shares of Common Stock outstanding immediately after giving effect to such dividend, distribution, share split or share combination.

Any adjustment made under this Section 10.05(a) shall become effective immediately after the Open of Business on the Ex-Dividend Date for such dividend or distribution, or immediately after the Open of Business on the Effective Date for such share split or share combination, as applicable. If any dividend or distribution of the type described in this Section 10.05(a) is declared but not so paid or made, the Conversion Rate shall be immediately readjusted, effective as of the date the Board of Directors determines not to pay such dividend or distribution, to the Conversion Rate that would then be in effect if such dividend or distribution had not been declared.

(b) If the Company issues to all or substantially all holders of the Common Stock any rights, options or warrants entitling them, for a period of not more than 45 calendar days after the announcement date of such issuance, to subscribe for or purchase shares of the Common Stock at a price per share that is less than the average of the Last Reported Sale Prices of the Common Stock for the 10 consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the date of announcement of such issuance, the Conversion Rate shall be increased based on the following formula:

$$CR' = CR_0 \times \frac{OS_0 + X}{OS_0 + Y}$$

where,

CR_0	=	the Conversion Rate in effect immediately prior to the Open of Business on the Ex-Dividend Date for such issuance;
CR'	=	the Conversion Rate in effect immediately after the Open of Business on such Ex-Dividend Date;
OS_0	=	the number of shares of Common Stock outstanding immediately prior to the Open of Business on such Ex-Dividend Date;
X	=	the total number of shares of Common Stock issuable pursuant to such rights, options or warrants; and
Y	=	the number of shares of Common Stock equal to the aggregate price payable to exercise such rights, options or warrants, divided by the average of the Last Reported Sale Prices of the Common Stock over the 10 consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the date of announcement of the issuance of such rights, options or warrants.

Any increase made under this Section 10.05(b) shall be made successively whenever any such rights, options or warrants are issued and shall become effective immediately after the Open of Business on the Ex-Dividend Date for such issuance. To the extent that shares of the Common Stock are not delivered after the expiration of such rights, options or warrants, the Conversion Rate shall be decreased to the Conversion Rate that would then be in effect had the increase with respect to the issuance of such rights, options or warrants been made on the basis of delivery of only the number of shares of Common Stock actually delivered. If such rights, options or warrants are not so issued, the Conversion Rate shall be decreased to the Conversion Rate that would then be in effect if such Ex-Dividend Date for such issuance had not occurred.

For purposes of this Section 10.05(b), in determining whether any rights, options or warrants entitle the holders to subscribe for or purchase shares of the Common Stock at less than such average of the Last Reported Sale Prices of the Common Stock for the 10 consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the date of announcement for such issuance, and in determining the aggregate offering price of such shares of Common Stock, there shall be taken into account any consideration received by the Company for such rights, options or warrants and any amount payable on exercise or conversion thereof, the value of such consideration, if other than cash, to be determined by the Board of Directors.

(c) If the Company distributes shares of its Capital Stock, evidences of its indebtedness, other assets or property of the Company or rights, options or warrants to acquire its Capital Stock or other securities, to all or substantially all holders of the Common Stock, excluding (i) dividends, distributions or issuances as to which an adjustment was effected pursuant to Section 10.05(a) or Section 10.05(b), (ii) dividends or distributions paid exclusively in cash as to which the provisions set forth in Section 10.05(d) shall apply, and (iii) Spin-Offs as to which the provisions set forth below in this Section 10.05(c) shall apply (any of such shares of Capital Stock, evidences of indebtedness, other assets or property or rights, options or warrants to acquire Capital Stock or other securities, the "**Distributed Property**"), then the Conversion Rate shall be increased based on the following formula:

$$CR' = CR_0 \times \frac{SP_0}{SP_0 - FMV}$$

where,

CR_0	=	the Conversion Rate in effect immediately prior to the Open of Business on the Ex-Dividend Date for such distribution;
CR'	=	the Conversion Rate in effect immediately after the Open of Business on such Ex-Dividend Date;
SP_0	=	the average of the Last Reported Sale Prices of the Common Stock over the 10 consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the Ex-Dividend Date for such distribution; and
FMV	=	the fair market value (as determined by the Board of Directors) of the Distributed Property with respect to each outstanding share of the Common Stock on the Ex-Dividend Date for such distribution.

Any increase made under the portion of this Section 10.05(c) above shall become effective immediately after the Open of Business on the Ex-Dividend Date for such distribution. If such distribution is not so paid or made, the Conversion Rate shall be decreased to the Conversion Rate that would then be in effect if such distribution had not been declared. Notwithstanding the foregoing, if "FMV" (as defined above) is equal to or greater than "SP_0" (as defined above), in lieu of the foregoing increase, each Holder of a Note shall receive, in respect of each $1,000 principal amount thereof, at the same time and upon the same terms as holders of the Common Stock receive the Distributed Property, the amount and kind of Distributed Property such Holder would have received if such Holder owned a number of shares of Common Stock equal to the Conversion Rate in effect on the Ex-Dividend Date for the distribution. If the Board of Directors determines the "FMV" (as defined above) of any distribution for purposes of this Section 10.05(c) by reference to the actual or when-issued trading market for any securities, it shall in doing so consider the prices in such market over the same period used in computing the Last Reported Sale Prices of the Common Stock over the 10 consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the Ex-Dividend Date for such distribution.

With respect to an adjustment pursuant to this Section 10.05(c) where there has been a payment of a dividend or other distribution on the Common Stock of shares of Capital Stock of any class or series, or similar equity interest, of or relating to a Subsidiary or other business unit of the Company, that are, or, when issued, will be, listed or admitted for trading on a U.S. national securities exchange (a "**Spin-Off**"), the Conversion Rate shall be increased based on the following formula:

$$CR' = CR_0 \times \frac{FMV_0 + MP_0}{MP_0}$$

where,

CR_0	=	the Conversion Rate in effect immediately prior to the end of the Valuation Period;
CR'	=	the Conversion Rate in effect immediately after the end of the Valuation Period;
FMV_0	=	the average of the Last Reported Sale Prices of the Capital Stock or similar equity interest distributed to holders of the Common Stock applicable to one share of the Common Stock (determined by reference to the definition of Last Reported Sale Price as if references therein to Common Stock were to such Capital Stock or similar equity interest) over the first 10 consecutive Trading Day period after, and including, the Ex-Dividend Date of the Spin-Off (the "**Valuation Period**"); and
MP_0	=	the average of the Last Reported Sale Prices of the Common Stock over the Valuation Period.

The increase to the Conversion Rate under the preceding paragraph shall occur at the Close of Business on the last Trading Day of the Valuation Period; *provided* that (x) in respect of any conversion of Notes for which Physical Settlement is the applicable Conversion Settlement Method, if the relevant Conversion Date occurs during the Valuation Period, references to "10" in the preceding paragraph shall be deemed to be replaced with such lesser number of Trading Days as have elapsed between the Ex-Dividend Date of such Spin-Off and the Conversion Date in determining the Conversion Rate and (y) in respect of any conversion of Notes for which Cash Settlement or Combination Settlement is the applicable Conversion Settlement Method, for any Trading Day that falls within the relevant Observation Period for such conversion and within the Valuation Period, references to "10" in the preceding paragraph shall be deemed to be replaced with such lesser number of Trading Days as have elapsed between the Ex-Dividend Date of such Spin-Off and such Trading Day in determining the Conversion Rate as of such Trading Day. If the Ex-Dividend Date of the Spin-Off is after the 10th Trading Day immediately preceding, and including, the end of any Observation Period in respect of the settlement of the Conversion Obligation for any Notes, and any Trading Day in the Valuation Period occurs during such Observation Period, then references to "10" or "10th" in the preceding paragraph and this paragraph shall be deemed to be replaced, solely in respect of that conversion of Notes, with such lesser number of Trading Days as have elapsed from, and including, the Ex-Dividend Date for the Spin-Off to, and including, the last Trading Day of such Observation Period.

For purposes of this Section 10.05(c) (and subject in all respect to Section 10.12), rights, options or warrants distributed by the Company to all holders of the Common Stock entitling them to subscribe for or purchase shares of the Company's Capital Stock, including Common Stock (either initially or under certain circumstances), which rights, options or warrants, until the occurrence of a specified event or events ("**Trigger Event**"): (i) are deemed to be transferred with such shares of the Common Stock; (ii) are not exercisable; and (iii) are also issued in respect of future issuances of the Common Stock, shall be deemed not to have been distributed for purposes of this Section 10.05(c) (and no adjustment to the Conversion Rate under this Section 10.05(c) will be required) until the occurrence of the earliest Trigger Event, whereupon such rights, options or warrants shall be deemed to have been distributed and an appropriate adjustment (if any is required) to the Conversion Rate shall be made under this Section 10.05(c). If any such right, option or warrant, including any such existing rights, options or warrants distributed prior to the date of this Indenture, are subject to events, upon the occurrence of which such rights, options or warrants become exercisable to purchase different securities, evidences of indebtedness or other assets, then the date of the occurrence of any and each such event shall be deemed to be the date of distribution and Ex-Dividend Date with respect to new rights, options or warrants with such rights (in which case the existing rights, options or warrants shall be deemed to terminate and expire on such date without exercise by any of the holders thereof). In addition, in the event of any distribution (or deemed distribution) of rights, options or warrants, or any Trigger Event or other event (of the type described in the immediately preceding sentence) with respect thereto that was counted for purposes of calculating a distribution amount for which an adjustment to the Conversion Rate under this Section 10.05(c) was made, (1) in the case of any such rights, options or warrants that shall all have been redeemed or purchased without exercise by any holders thereof, upon such final redemption or purchase (x) the Conversion Rate shall be readjusted as if such rights, options or warrants had not been issued and (y) the Conversion Rate shall then again be readjusted to give effect to such distribution, deemed distribution or Trigger Event, as the case may be, as though it were a cash distribution, equal to the per share redemption or purchase price received by a holder or holders of Common Stock with respect to such rights, options or warrants (assuming such holder had retained such rights, options or warrants), made to all holders of Common Stock as of the date of such redemption or purchase, and (2) in the case of such rights, options or warrants that shall have expired or been terminated without exercise by any holders thereof, the Conversion Rate shall be readjusted as if such rights, options and warrants had not been issued.

For purposes of Section 10.05(a), Section 10.05(b) and this Section 10.05(c), if any dividend or distribution to which this Section 10.05(c) is applicable also includes one or both of:

(A) a dividend or distribution of shares of Common Stock to which Section 10.05(a) is applicable (the "**Clause A Distribution**"); or

(B) a dividend or distribution of rights, options or warrants to which Section 10.05(b) is applicable (the "**Clause B Distribution**"),

then, in either case, (1) such dividend or distribution, other than the Clause A Distribution and the Clause B Distribution, shall be deemed to be a dividend or distribution to which this Section 10.05(c) is applicable (the "**Clause C Distribution**") and any Conversion Rate adjustment required by this Section 10.05(c) with respect to such Clause C Distribution shall then be made, and (2) the Clause A Distribution and Clause B Distribution shall be deemed to immediately follow the Clause C Distribution and any Conversion Rate adjustment required by Section 10.05(a) and Section 10.05(b) with respect thereto shall then be made, except that, if determined by the Company (I) the "Ex-Dividend Date" of the Clause A Distribution and the Clause B Distribution shall be deemed to be the Ex-Dividend Date of the Clause C Distribution and (II) any shares of Common Stock included in the Clause A Distribution or Clause B Distribution shall be deemed not to be "outstanding immediately prior to the Open of Business on such Ex-Dividend Date or Effective Date" within the meaning of Section 10.05(a) or "outstanding immediately prior to the Open of Business on such Ex-Dividend Date" within the meaning of Section 10.05(b).

(d) If any cash dividend or distribution is made to all or substantially all holders of the Common Stock, the Conversion Rate shall be adjusted based on the following formula:

$$CR' = CR_0 \times \frac{SP_0}{SP_0 - C}$$

where,

CR_0 = the Conversion Rate in effect immediately prior to the Open of Business on the Ex-Dividend Date for such dividend or distribution;

CR' = the Conversion Rate in effect immediately after the Open of Business on the Ex-Dividend Date for such dividend or distribution;

SP_0 = the Last Reported Sale Price of the Common Stock on the Trading Day immediately preceding the Ex-Dividend Date for such dividend or distribution; and

C = the amount in cash per share the Company distributes to all or substantially all holders of the Common Stock.

Any increase pursuant to this Section 10.05(d) shall become effective immediately after the Open of Business on the Ex-Dividend Date for such dividend or distribution. If such dividend or distribution is not so paid, the Conversion Rate shall be decreased, effective as of the date the Board of Directors determines not to make or pay such dividend or distribution, to be the Conversion Rate that would then be in effect if such dividend or distribution had not been declared. Notwithstanding the foregoing, if "C" (as defined above) is equal to or greater than "SP_0" (as defined above), then, in lieu of the foregoing increase, each Holder of a Note shall receive, for each $1,000 principal amount of Notes, at the same time and upon the same terms as holders of shares of the Common Stock, the amount of cash that such Holder would have received if such Holder owned a number of shares of Common Stock equal to the Conversion Rate on the Ex-Dividend Date for such cash dividend or distribution.

(e) If the Company or any of its Subsidiaries make a payment in respect of a tender or exchange offer for the Common Stock, to the extent that the cash and value of any other consideration included in the payment per share of the Common Stock exceeds the average of the Last Reported Sale Prices of the Common Stock over the 10 consecutive Trading Day period commencing on, and including, the Trading Day next succeeding the last date on which tenders or exchanges may be made pursuant to such tender or exchange offer (the "**Tender/Exchange Offer Valuation Period**"), the Conversion Rate shall be increased based on the following formula:

$$CR' = CR_0 \times \frac{AC + (SP' \times OS')}{OS_0 \times SP'}$$

where,

CR_0 = the Conversion Rate in effect immediately prior to the Close of Business on the 10th Trading Day immediately following, and including, the Trading Day next succeeding the date such tender or exchange offer expires;

CR' = the Conversion Rate in effect immediately after the Close of Business on the 10th Trading Day immediately following, and including, the Trading Day next succeeding the date such tender or exchange offer expires;

AC = the aggregate value of all cash and any other consideration (as determined by the Board of Directors) paid or payable for shares of Common Stock purchased in such tender or exchange offer;

OS_0 = the number of shares of Common Stock outstanding immediately prior to the date such tender or exchange offer expires (prior to giving effect to the purchase of all shares of Common Stock accepted for purchase or exchange in such tender or exchange offer);

OS' = the number of shares of Common Stock outstanding immediately after the date such tender or exchange offer expires (after giving effect to the purchase of all shares of Common Stock accepted for purchase or exchange in such tender or exchange offer); and

SP' = the average of the Last Reported Sale Prices of the Common Stock over the 10 consecutive Trading Day period commencing on, and including, the Trading Day next succeeding the date such tender or exchange offer expires.

The increase to the Conversion Rate under this Section 10.05(e) shall occur at the Close of Business on the 10th Trading Day immediately following, and including, the Trading Day next succeeding the date such tender or exchange offer expires; *provided* that (x) in respect of any conversion of Notes for which Physical Settlement is the applicable Conversion Settlement Method, if the relevant Conversion Date occurs during the 10 Trading Days immediately following, and including, the Trading Day next succeeding the expiration date of any tender or exchange offer, references to “10” or “10th” in the preceding paragraph shall be deemed replaced with such lesser number of Trading Days as have elapsed between the date that such tender or exchange offer expires and the Conversion Date in determining the Conversion Rate and (y) in respect of any conversion of Notes for which Cash Settlement or Combination Settlement is the applicable Conversion Settlement Method, for any Trading Day that falls within the relevant Observation Period for such conversion and within the 10 Trading Days immediately following, and including, the Trading Day next succeeding the expiration date of any tender or exchange offer, references to “10” or “10th” in the preceding paragraph shall be deemed replaced with such lesser number of Trading Days as have elapsed between the expiration date of such tender or exchange offer and such Trading Day in determining the Conversion Rate as of such Trading Day. In addition, if the Trading Day next succeeding the date such tender or exchange offer expires is after the 10th Trading Day immediately preceding, and including, the end of any Observation Period in respect of the settlement of the Conversion Obligation for any Notes, and any Trading Day in the Tender/Exchange Offer Valuation Period occurs during such Observation Period, then, references to “10” or “10th” in the preceding paragraph and this paragraph shall be deemed to be replaced, solely in respect of that conversion of Notes, with such lesser number of Trading Days as have elapsed from, and including, the Trading Day next succeeding the date such tender or exchange offer expires to, and including, the last Trading Day of such Observation Period.

(f) Notwithstanding this Section 10.05 or any other provision of this Indenture or the Notes, if a Conversion Rate adjustment becomes effective on any Ex-Dividend Date, and a Holder that has converted its Notes on or after such Ex-Dividend Date and on or prior to the related Record Date would be treated as the record holder of the shares of Common Stock as of the related Conversion Date as set forth in Section 10.02(i) based on an adjusted Conversion Rate for such Ex-Dividend Date, then, notwithstanding the Conversion Rate adjustment provisions in this Section 10.05, the Conversion Rate adjustment relating to such Ex-Dividend Date shall not be made for such converting Holder. Instead, such Holder shall be treated as if such Holder were the record owner of the shares of Common Stock on an unadjusted basis and participate in the related dividend, distribution or other event giving rise to such adjustment.

(g) Except as stated herein, the Company shall not adjust the Conversion Rate for the issuance of shares of the Common Stock or any securities convertible into or exchangeable for shares of the Common Stock or the right to purchase shares of the Common Stock or such convertible or exchangeable securities.

(h) In addition to those adjustments required by clauses (a), (b), (c), (d) and (e) of this Section 10.05, and to the extent permitted by applicable law and subject to the applicable rules of any exchange on which any of the Company's securities are listed, the Company from time to time may increase the Conversion Rate by any amount for a period of at least 20 Business Days if the Board of Directors determines that such increase would be in the Company's best interest. In addition, to the extent permitted by applicable law and subject to the applicable rules of any exchange on which any of the Company's securities are then listed, the Company may (but is not required to) increase the Conversion Rate to avoid or diminish any income tax to holders of Common Stock or rights to purchase Common Stock in connection with a dividend or distribution of shares of Common Stock (or rights to acquire shares of Common Stock) or similar event. Whenever the Conversion Rate is increased pursuant to either of the preceding two sentences, the Company shall mail to the Holder of each Note at its last address appearing on the Register a notice of the increase at least 15 days prior to the date the increased Conversion Rate takes effect, and such notice shall state the increased Conversion Rate and the period during which it will be in effect.

(i) Notwithstanding anything to the contrary in this Article 10, the Conversion Rate shall not be adjusted:

(i) upon the issuance of any shares of Common Stock pursuant to any present or future plan providing for the reinvestment of dividends or interest payable on the Company's securities and the investment of additional optional amounts in shares of Common Stock under any plan;

(ii) upon the issuance of any shares of Common Stock or options or rights to purchase those shares pursuant to any present or future employee, director or consultant benefit plan or program of or assumed by the Company or any of the Company's Subsidiaries;

(iii) upon the issuance of any shares of the Common Stock pursuant to any option, warrant, right or exercisable, exchangeable or convertible security not described in clause (ii) of this subsection and outstanding as of the date the Notes were first issued;

(iv) solely for a change in the par value of the Common Stock; or

(v) for accrued and unpaid interest, if any.

(j) All calculations and other determinations under this Article 10 shall be made to the nearest one-ten thousandth (1/10,000th) of a share.

(k) Whenever the Conversion Rate is adjusted as herein provided, the Company shall promptly file with the Trustee and the Conversion Agent an Officers' Certificate setting forth the Conversion Rate after such adjustment and setting forth a brief statement of the facts requiring such adjustment. Unless and until a Trust Officer of the Trustee shall have received such Officers' Certificate, the Trustee shall not be deemed to have knowledge of any adjustment of the Conversion Rate and may assume without inquiry that the last Conversion Rate of which it has knowledge is still in effect. Promptly after delivery of such certificate, the Company shall prepare a notice of such adjustment of the Conversion Rate setting forth the adjusted Conversion Rate and the date on which each adjustment becomes effective and shall mail such notice of such adjustment of the Conversion Rate to each Holder at its last address appearing on the Register of this Indenture. Failure to deliver such notice shall not affect the legality or validity of any such adjustment.

(l) For purposes of this Section 10.05, the number of shares of Common Stock at any time outstanding shall not include shares of Common Stock held in the treasury of the Company so long as the Company does not pay any dividend or make any distribution on shares of Common Stock held in the treasury of the Company, but shall include shares of Common Stock issuable in respect of scrip certificates issued in lieu of fractions of shares of Common Stock.

Section 10.06. *Adjustments of Prices.* Whenever any provision of this Indenture requires the Company to calculate the Last Reported Sale Prices, the Daily VWAPs, the Daily Conversion Values, the Daily Settlement Amounts or the Conversion Make-Whole Share Price over or based on a span of multiple days (including an Observation Period, the period for determining the Stock Price for purposes of a Make-Whole Adjustment Event, the period for determining the Conversion Make-Whole Share Price and the period for determining whether the Company may exercise its Optional Redemption right), the Board of Directors shall make appropriate adjustments to each to account for any adjustment to the Conversion Rate that becomes effective, or any event requiring an adjustment to the Conversion Rate where the Ex-Dividend Date, Effective Date or expiration date, as the case may be, of the event occurs, at any time during the period when the Last Reported Sale Prices, the Daily VWAPs, the Daily Conversion Values, the Daily Settlement Amounts or the Conversion Make-Whole Share Price are to be calculated.

Section 10.07. *Shares to Be Fully Paid.* The Company shall at all times provide, free from preemptive rights, out of its authorized but unissued shares or shares held in treasury, sufficient shares of Common Stock to provide for conversion of the Notes from time to time as such Notes are presented for conversion (assuming the maximum number of Additional Shares is added to the Conversion Rate pursuant to Section 10.04 and that at the time of computation of such number of shares, all such Notes would be converted by a single Holder and that (x) prior to the Authorized Share Amendment Effective Date, Capped Combination Settlement were applicable and the NYSE MKT Stockholder Approval has been obtained, with the number of shares of Common Stock included in each Daily Settlement Amount equal to the Daily Share Cap and (y) after the Authorized Share Amendment Effective Date, Physical Settlement were applicable). The Company shall settle its Make-Whole Obligation by Cash Settlement unless any shares deliverable upon settlement of its Make-Whole Obligation would be free of preemptive rights and would not exceed its authorized but unissued shares or shares held in treasury.

Section 10.08. *Effect of Recapitalizations, Reclassifications and Changes of the Common Stock.*

(a) In the case of:

(i) any recapitalization, reclassification or change of the Common Stock (other than changes resulting from a subdivision or combination),

(ii) any consolidation, merger, combination or similar transaction involving the Company,

(iii) any sale, lease or other transfer to a third party of the consolidated assets of the Company and the Company's Subsidiaries substantially as an entirety or

(iv) any statutory share exchange,

in each case, as a result of which the Common Stock would be converted into, or exchanged for, stock, other securities, other property or assets (including cash or any combination thereof) (any such event, a "**Merger Event**"), then, at and after the effective time of such Merger Event, the right to convert each $1,000 principal amount of Notes shall be changed into a right to convert such principal amount of Notes into the kind and amount of shares of stock, other securities or other property or assets (including cash or any combination thereof) that a holder of a number of shares of Common Stock equal to the Conversion Rate immediately prior to such Merger Event would have owned or been entitled to receive (the "**Reference Property**," with each "**unit of Reference Property**" meaning the kind and amount of Reference Property that a holder of one share of Common Stock is entitled to receive) upon such Merger Event and, prior to or at the effective time of such Merger Event, the Company or the successor or purchasing Person, as the case may be, shall execute with the Trustee a supplemental indenture permitted under Section 9.01(d) providing for such change in the right to convert each $1,000 principal amount of Notes; *provided*, *however*, that at and after the effective time of the Merger Event (A) the Company shall continue to have the right to elect Cash Settlement, Combination Settlement or Physical Settlement for the Conversion Settlement Method applicable to the conversion of Notes in accordance with Section 10.02, (B) (I) any amount payable in cash upon conversion of the Notes in accordance with Section 10.02 shall continue to be payable in cash, (II) any shares of Common Stock that the Company would have been required to deliver upon conversion of the Notes in accordance with Section 10.02 shall instead be deliverable in the amount and type of Reference Property that a holder of that number of shares of Common Stock would have been entitled to receive in such Merger Event and (III) the Daily VWAP shall be calculated based on the value of a unit of Reference Property and (C) the Make-Whole Obligation shall be satisfied by Cash Settlement.

If the Merger Event causes the Common Stock to be converted into, or exchanged for, the right to receive more than a single type of consideration (determined based in part upon any form of stockholder election), then (i) the Reference Property into which the Notes will be convertible shall be deemed to be (x) the weighted average of the types and amounts of consideration received by the holders of Common Stock that affirmatively make such an election or (y) if no holders of Common Stock affirmatively make such an election, the types and amounts of consideration actually received by the holders of Common Stock, and (ii) the unit of Reference Property for purposes of the immediately preceding paragraph shall refer to the consideration referred to in clause (i) attributable to one share of Common Stock. If the holders of the Common Stock receive only cash in such Merger Event, then for all conversions for which the relevant Conversion Date occurs after the effective date of such Merger Event, (A) the consideration due upon settlement of the Conversion Obligation for each $1,000 principal amount of Notes shall be solely cash in an amount equal to the Conversion Rate in effect on the Conversion Date (as may be increased by any Additional Shares pursuant to Section 10.04), multiplied by the price paid per share of Common Stock in such Merger Event and (B) the Company shall satisfy each of the Conversion Obligation and the Make-Whole Obligation by paying cash to converting Holders on or before the third Business Day immediately following the relevant Conversion Date. The Company shall notify Holders, the Trustee and the Conversion Agent of such weighted average as soon as practicable after such determination is made.

Such supplemental indenture described in the second immediately preceding paragraph shall provide for anti-dilution and other adjustments that shall be as nearly equivalent as is possible to the adjustments provided for in this Article 10. If, in the case of any Merger Event, the Reference Property includes shares of stock, securities or other property or assets (including cash or any combination thereof) of a Person other than the successor or purchasing corporation, as the case may be, in such Merger Event, then such supplemental indenture shall also be executed by such other Person and shall contain such additional provisions to protect the interests of the Holders of the Notes as the Board of Directors shall reasonably consider necessary by reason of the foregoing, including the provisions providing for the purchase rights set forth in Article 3.

(b) When the Company executes a supplemental indenture pursuant to subsection (a) of this Section 10.08, the Company shall promptly file with the Trustee an Officers' Certificate briefly stating the reasons therefor, the kind or amount of cash, securities or property or asset that will comprise a unit of Reference Property after any such Merger Event, any adjustment to be made with respect thereto and that all conditions precedent have been complied with, and shall promptly mail notice thereof to all Holders. The Company shall cause notice of the execution of such supplemental indenture to be given to each Holder, in accordance with Section 15.02, within 20 days after execution thereof. Failure to deliver such notice shall not affect the legality or validity of such supplemental indenture.

(c) The Company shall not become a party to any Merger Event unless its terms are consistent with this Section 10.08. None of the foregoing provisions shall affect the right of a Holder of Notes to convert its Notes into cash, shares of Common Stock or a combination of cash and shares of Common Stock, as applicable, as set forth in Section 10.01 and Section 10.02 prior to the effective date of such Merger Event.

(d) The above provisions of this Section shall similarly apply to successive Merger Events.

Section 10.09. *Certain Covenants*. (a) The Company covenants that all shares of Common Stock issued upon settlement of the Conversion Obligation or the Make-Whole Obligation will be fully paid and non-assessable by the Company and free from all taxes, liens and charges with respect to the issue thereof, except with respect to any U.S. federal withholding taxes that might apply.

(b) The Company covenants that, if any shares of Common Stock to be provided for the purpose of settlement of the Conversion Obligation or the Make-Whole Obligation hereunder require registration with or approval of any governmental authority under any federal or state law before such shares of Common Stock may be validly issued, the Company shall, to the extent then permitted by the rules and interpretations of the SEC, secure such registration or approval, as the case may be.

(c) The Company further covenants that if at any time the Common Stock shall be listed on any national securities exchange or automated quotation system the Company will list and keep listed, so long as the Common Stock shall be so listed on such exchange or automated quotation system, any Common Stock issuable upon settlement of the Conversion Obligation or the Make-Whole Obligation.

(d) Prior to the Capped Combination Settlement Release Date, whenever the Aggregate Share Cap is adjusted as herein provided, the Company shall promptly file with the Trustee and the Conversion Agent an Officers' Certificate setting forth the Aggregate Share Cap after such adjustment and setting forth a brief statement of the facts requiring such adjustment. Unless and until a Trust Officer of the Trustee shall have received such Officers' Certificate, the Trustee shall not be deemed to have knowledge of any adjustment of the Aggregate Share Cap and may assume without inquiry that the last Aggregate Share Cap of which it has knowledge is still in effect. Promptly after delivery of such certificate, the Company shall prepare a notice of such adjustment of the Aggregate Share Cap setting forth the adjusted Aggregate Share Cap and the date on which each adjustment becomes effective and shall send such notice of such adjustment of the Aggregate Share Cap to each Holder at its last address appearing on the Register of this Indenture. Failure to deliver such notice shall not affect the legality or validity of any such adjustment.

(e) The Company agrees to use its commercially best efforts to obtain, at or prior to the next annual meeting of its stockholders following the date of this Indenture, such approval of its stockholders as is necessary to cause the Capped Combination Settlement Release Date to occur.

Section 10.10. *Responsibility of Trustee.* The Trustee and any other Conversion Agent shall not at any time be under any duty or responsibility to any Holder to determine the Conversion Rate (or any adjustment thereto) or whether any facts exist that may require any adjustment (including any increase) of the Conversion Rate, or with respect to the nature or extent or calculation of any such adjustment when made, or with respect to the method employed, or herein or in any supplemental indenture provided to be employed, in making the same. The Trustee and any other Conversion Agent shall not be accountable with respect to the validity or value (or the kind or amount) of any shares of Common Stock, or of any securities, property or cash that may at any time be issued or delivered upon the conversion of any Note; and the Trustee and any other Conversion Agent make no representations with respect thereto. Neither the Trustee nor any Conversion Agent shall be responsible for any failure of the Company to issue, transfer or deliver any shares of Common Stock or stock certificates or other securities or property or cash upon the surrender of any Note or to comply with any of the duties, responsibilities or covenants of the Company contained in this Article. Without limiting the generality of the foregoing, neither the Trustee nor any Conversion Agent shall be under any responsibility to determine the correctness of any provisions contained in any supplemental indenture entered into pursuant to Section 10.08 relating either to the kind or amount of shares of stock or securities or property (including cash) receivable by Holders upon settlement of the Conversion Obligation or the Make-Whole Obligation after any event referred to in such Section 10.08 or to any adjustment to be made with respect thereto, but may accept (without any independent investigation) as conclusive evidence of the correctness of any such provisions, and shall be protected in relying upon, the Officers' Certificate (which the Company shall be obligated to file with the Trustee prior to the execution of any such supplemental indenture) with respect thereto.

Section 10.11. *Notice to Holders Prior to Certain Actions.* The Company shall provide written notice to the Holders and the Trustee at least 25 Scheduled Trading Days in advance of the occurrence of any of the following events (unless the Company does not have knowledge of such event at least 25 Scheduled Trading Days in advance of the occurrence of such event, in which case the Company shall provide written notice to the Holders and the Trustee as promptly as practicable (and in any event, no more than one Business Day) after it has knowledge of such event): (a) the effective date of any Fundamental Change, Make-Whole Adjustment Event or Merger Event; or (b) the ex-dividend date for any issuance or distribution that would require an adjustment in the Conversion Rate pursuant to Section 10.05(b), Section 10.05(c) or Section 10.05(d).

In addition, in case of any:

(a) action by the Company or one of its Subsidiaries that would require an adjustment in the Conversion Rate pursuant to Section 10.05 or Section 10.12; or

(b) voluntary or involuntary dissolution, liquidation or winding-up of the Company or any of its Subsidiaries;

then, in each case (unless earlier notice of such event is otherwise required pursuant to the first paragraph of this Section 10.11), the Company shall provide written notice to the Holders and the Trustee, as promptly as possible but in any event at least 20 days prior to the applicable date hereinafter specified, of (i) the date on which a record is to be taken for the purpose of such action by the Company or one of its Subsidiaries or, if a record is not to be taken, the date as of which the holders of Common Stock of record are to be determined for the purposes of such action by the Company or one of its Subsidiaries, or (ii) the date on which such dissolution, liquidation or winding-up is expected to become effective or occur, and the date as of which it is expected that holders of Common Stock of record shall be entitled to exchange their Common Stock for securities or other property deliverable upon such dissolution, liquidation or winding-up.

Section 10.12. *Stockholder Rights Plans.* If the Company has a stockholder rights plan in effect upon conversion of the Notes, each share of Common Stock, if any, issued upon settlement of the Conversion Obligation or the Make-Whole Obligation shall be entitled to receive the appropriate number of rights, if any, and the certificates representing the Common Stock issued upon such settlement shall bear such legends, if any, in each case as may be provided by the terms of any such stockholder rights plan, as the same may be amended from time to time. However, if, prior to any conversion of Notes, the rights have separated from the shares of Common Stock in accordance with the provisions of the applicable stockholder rights plan, the Conversion Rate shall be adjusted at the time of separation as if the Company distributed to all or substantially all holders of the Common Stock Distributed Property as provided in Section 10.05(c), subject to readjustment in the event of the expiration, termination or redemption of such rights.

Section 10.13. *Certain Limitations on Settlement.* For so long as the Common Stock is registered under the Exchange Act, a beneficial owner of the Notes shall not be entitled to receive shares of Common Stock upon conversion of any Notes during any period of time in which the aggregate number of shares of Common Stock that may be acquired by such beneficial owner upon conversion of Notes shall, when added to the aggregate number of shares of Common Stock deemed beneficially owned, directly or indirectly, by such beneficial owner and each person subject to aggregation of Common Stock with such beneficial owner under Section 13 or Section 16 of the Exchange Act and the rules promulgated thereunder at such time (an "**Aggregated Person**") (other than by virtue of the ownership of securities or rights to acquire securities that have limitations on such beneficial owner's or such person's right to convert, exercise or purchase similar to this limitation), as determined pursuant to the rules and regulations promulgated under Section 13(d) of the Exchange Act, exceed 9.99% (the "**Restricted Ownership Percentage**") of the total issued and outstanding shares of Common Stock (the "**Section 16 Conversion Blocker**"). Notwithstanding the foregoing, this Section 16 Conversion Blocker shall not apply (a) with respect to a beneficial owner of the Notes if such beneficial owner is subject to Section 16(a) of the Exchange Act without regard to the aggregate number of shares of Common Stock issuable upon conversion of the Notes and upon conversion, exercise or sale of securities or rights to acquire securities that have limitations on such beneficial owner's right to convert, exercise or purchase similar to this limitation or (b) in connection with an issuance of Common Stock by the Company pursuant to, or upon a conversion in connection with, a Make-Whole Adjustment Event; *provided*, *however*, that if any beneficial owner of the Notes provides written notice to the Company at any time that the exception to the application of the Section 16 Conversion Blocker set forth in clause (b) of this sentence (the "**Make-Whole Exception**") shall not be available to such beneficial owner, then such exception shall not be available to such beneficial owner. Any such notice provided pursuant to the proviso to the immediately preceding sentence shall be binding against such beneficial owner.

Notwithstanding the foregoing, the Company shall issue shares of Common Stock upon conversion of such beneficial owner's Notes up to (but not exceeding) the amount that would cause such beneficial owner's beneficial ownership of Common Stock (together with that of any Aggregated Person) to equal the Restricted Ownership Percentage; *provided* that each beneficial owner shall have the right at any time and from time to time to reduce the Restricted Ownership Percentage applicable to such beneficial owner immediately upon prior written notice to the Company (*provided* that, for the avoidance of doubt, in such event, such beneficial owner may sell shares of Common Stock or Notes to reduce the aggregate number of shares of Common Stock deemed beneficially owned by such beneficial owner (together with any Aggregated Person) to a level below the reduced Restricted Ownership Percentage, in which case the Notes will be convertible by such beneficial owner up to (but will not exceed) the reduced Restricted Ownership Percentage) or increase the Restricted Ownership Percentage applicable to such beneficial owner (together with any Aggregated Person) upon 65 days' prior written notice to the Company.

Under no circumstances shall the Trustee or the Conversion Agent have any obligation to identify any beneficial owner of the Notes, or otherwise make any determination, monitor or otherwise take any action with respect to the restrictions set forth in this Section 10.13.

Article 11
REDEMPTION AT THE OPTION OF THE COMPANY

Section 11.01. *Optional Redemption.* No sinking fund is provided for the Notes. The Company may from time to time redeem (an "**Optional Redemption**"), in cash at the applicable Redemption Price:

(a) any or all of the Notes if the Last Reported Sale Price of the Common Stock for at least 20 Trading Days (whether or not consecutive) during the period of 30 consecutive Trading Days ending on, and including, the Trading Day immediately preceding the Redemption Notice Date exceeds 150% of the applicable Conversion Price on each applicable Trading Day; or

(b) all (and not less than all) of the Notes then outstanding if, at any time after the Issue Date, the aggregate principal amount of Notes then outstanding is less than 15% of the aggregate principal amount of Notes issued on the Issue Date.

Section 11.02. *Notice of Optional Redemption; Selection of Notes.* (a) In case the Company exercises its Optional Redemption right to redeem all or, as the case may be, any part of the Notes pursuant to Section 11.01, it shall fix a date for redemption (each, a "**Redemption Date**") and it or, at its written request received by the Trustee not less than 35 Scheduled Trading Days prior to the Redemption Date (or such shorter period of time as may be acceptable to the Trustee), the Trustee, in the name of and at the expense of the Company, shall deliver or cause to be delivered a notice of such Optional Redemption (a "**Redemption Notice**") not less than 25 nor more than 30 Scheduled Trading Days prior to the Redemption Date to each Holder of Notes so to be redeemed as a whole or in part in accordance with Section 15.02; provided, however, that, if the Company shall give such notice, it shall also give written notice of the Redemption Date to the Trustee. The Redemption Date must be a Business Day. Notwithstanding anything to the contrary herein, the Company may not designate a Redemption Date that falls during or within three Business Days after the end of a Make-Whole Adjustment Period. The Trustee may conclusively rely upon an Officers' Certificate of the Company as to (i) whether or not any day is a Scheduled Trading Day, and (ii) whether a Make-Whole Adjustment Period has occurred or is continuing. All Redemption Prices shall be calculated by the Company.

(b) Each Redemption Notice shall specify:

(i) the Redemption Date;

(ii) the Redemption Price;

(iii) that on the Redemption Date, the Redemption Price will become due and payable upon each Note to be redeemed, and that interest thereon, if any, shall cease to accrue on and after the Redemption Date;

(iv) the place or places where such Notes are to be surrendered for payment of the Redemption Price;

(v) that Holders may surrender their Notes for conversion at any time prior to the Close of Business on the second Business Day immediately preceding the Redemption Date;

(vi) the procedures a converting Holder must follow to convert its Notes, the Conversion Settlement Method, Make-Whole Settlement Method and, if applicable, the Cash Amount and Cash Make-Whole Premium Amount;

(vii) the Conversion Rate and, if applicable, the number of Additional Shares added to the Conversion Rate in accordance with Section 10.04;

(viii) the CUSIP, ISIN or other similar numbers, if any, assigned to such Notes; and

(ix) in case any Note is to be redeemed in part only, the portion of the principal amount thereof to be redeemed and on and after the Redemption Date, upon surrender of such Note, a new Note in principal amount equal to the unredeemed portion thereof shall be issued.

A Redemption Notice shall be irrevocable.

(c) If fewer than all of the outstanding Notes are to be redeemed, the Trustee shall select the Notes or portions thereof of a Global Note or the Definitive Notes to be redeemed (in principal amounts of $1,000 or multiples thereof) by lot, on a pro rata basis or by another method the Trustee considers to be fair and appropriate which, in the case of Global Notes, shall be subject to the Applicable Procedures of the Depositary. If any Note selected for partial redemption is submitted for conversion in part after such selection, the portion of the Note submitted for conversion shall be deemed (so far as may be possible) to be the portion selected for redemption.

Section 11.03. *Payment of Notes Called for Redemption.* (a) If any Redemption Notice has been given in respect of the Notes in accordance with Section 11.02, the Notes shall become due and payable on the Redemption Date at the place or places stated in the Redemption Notice and at the applicable Redemption Price. On presentation and surrender of the Notes at the place or places stated in the Redemption Notice, the Notes shall be paid and redeemed by the Company at the applicable Redemption Price.

(b) Prior to the Open of Business on the Redemption Date, the Company shall deposit with the Paying Agent or, if the Company or a Subsidiary of the Company is acting as the Paying Agent, shall segregate and hold in trust as provided in Section 2.07 an amount of cash (in immediately available funds if deposited on the Redemption Date), sufficient to pay the Redemption Price of all of the Notes to be redeemed on such Redemption Date. Subject to receipt of funds by the Paying Agent, payment for the Notes to be redeemed shall be made on the Redemption Date for such Notes. The Paying Agent shall, promptly after such payment and upon written demand by the Company, return to the Company any funds in excess of the Redemption Price.

Section 11.04. *Restrictions on Redemption.* The Company may not redeem any Notes on any date if the principal amount of the Notes has been accelerated in accordance with the terms of this Indenture, and such acceleration has not been rescinded, on or prior to the Redemption Date (except in the case of an acceleration resulting from a Default by the Company in the payment of the Redemption Price with respect to such Notes).

Section 11.05. *Return of Notes.* If a Holder delivers a Note for redemption pursuant to Article 11 and, on the Redemption Date, the Company is not permitted to redeem such Note, the Paying Agent will (i) if such Note is a Definitive Note, return such Note to such Holder, and (ii) if such Note is held in book-entry form, in compliance with the Applicable Procedures, deem to be cancelled any instructions for book-entry transfer of such Note.

Section 11.06. *Repayment to the Company.* Subject to any applicable property laws, if, six months after the Redemption Date, any cash held by the Paying Agent for redemption of Notes remains unclaimed, the Paying Agent will promptly return such cash to the Company upon the Company's written request; provided, however, that, to the extent that the Company certifies in an Officers' Certificate delivered to the Trustee that the aggregate amount of cash deposited by the Company pursuant to Section 11.05 exceeds the aggregate Redemption Price of every Note outstanding (excluding, for the avoidance of doubt, any Notes tendered for conversion pursuant to Article 10 hereof), then as soon as practicable following the Trustee's receipt of such Officers' Certificate, the Trustee will return such excess to the Company.

Article 12
NOTE GUARANTEES

Section 12.01. *Note Guarantees.*

(a) Subject to this Article 12, each of the Guarantors hereby, jointly and severally, unconditionally guarantees to each Holder of a Note authenticated and delivered by the Trustee, to the Collateral Agent and to the Trustee and their respective successors and assigns, irrespective of the validity and enforceability of this Indenture, the Notes or the obligations of the Company hereunder or thereunder, that:

(i) the principal of, premium, if any, and interest on, the Notes will be promptly paid in full when due, whether at maturity, by acceleration, redemption or otherwise, and interest on the overdue principal of and interest on the Notes, if any, if lawful, and all other obligations of the Company to the Holders, the Collateral Agent or the Trustee hereunder or thereunder will be promptly paid in full or performed, all in accordance with the terms hereof and thereof, and

(ii) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, that same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at Stated Maturity, by acceleration or otherwise.

Failing payment when due of any amount so guaranteed or any performance so guaranteed for whatever reason, the Guarantors will be jointly and severally obligated to pay the same immediately. Each Guarantor agrees that this is a guarantee of payment and not a guarantee of collection.

(b) The Guarantors hereby agree that their obligations hereunder are unconditional, irrespective of the validity, regularity or enforceability of the Notes or this Indenture, the absence of any action to enforce the same, any waiver or consent by any Holder of the Notes, the Collateral Agent or the Trustee with respect to any provisions hereof or thereof, the recovery of any judgment against the Company, any action to enforce the same or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a Guarantor. Each Guarantor hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of insolvency or bankruptcy of the Company, any right to require a proceeding first against the Company, protest, notice and all demands whatsoever and covenants that its Note Guarantee will not be discharged except by complete performance of the obligations contained in the Notes and this Indenture.

(c) If any Holder, the Collateral Agent or the Trustee is required by any court or otherwise to return to the Company, the Guarantors or any custodian, trustee, liquidator or other similar official acting in relation to either the Company or the Guarantors, any amount paid by any of them to the Trustee or such Holder, each Guarantor's Note Guarantee, to the extent theretofore discharged, will be reinstated in full force and effect.

(d) Each Guarantor agrees that it will not be entitled to any right of subrogation in relation to the Holders in respect of any obligations guaranteed hereby until payment in full of all obligations guaranteed hereby. Each Guarantor further agrees that, as between the Guarantors, on the one hand, and the Holders, the Collateral Agent and the Trustee, on the other hand, (i) the maturity of the obligations guaranteed hereby may be accelerated as provided in Article 6 for the purposes of its Note Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations guaranteed hereby, and (ii) in the event of any declaration of acceleration of such obligations as provided in Article 6, such obligations (whether or not due and payable) will forthwith become due and payable by each of the Guarantors for the purpose of its Note Guarantee.

(e) All Guarantors desire to allocate among themselves (collectively, the "**Contributing Guarantors**"), in a fair and equitable manner, their obligations arising under this Indenture. Accordingly, in the event any payment or distribution is made on any date by a Guarantor (a "**Funding Guarantor**") under its guarantee of the Notes such that its Aggregate Payments exceed its Fair Share as of such date, such Funding Guarantor shall be entitled to a contribution from each of the other Contributing Guarantors in an amount sufficient to cause each Contributing Guarantor's Aggregate Payments to equal its Fair Share as of such date. "**Fair Share**" means, with respect to a Contributing Guarantor as of any date of determination, an amount equal to (i) the ratio of (A) the Fair Share Contribution Amount with respect to such Contributing Guarantor, to (B) the aggregate of the Fair Share Contribution Amounts with respect to all Contributing Guarantors, multiplied by (ii) the aggregate amount paid or distributed on or before such date by all Funding Guarantors under its Note Guarantee in respect of the obligations guaranteed. "**Fair Share Contribution Amount**" means, with respect to a Contributing Guarantor as of any date of determination, the maximum aggregate amount of the obligations of such Contributing Guarantor under its Note Guarantee that would not render its obligations hereunder or thereunder subject to avoidance as a fraudulent transfer or conveyance under Section 548 of the Bankruptcy Code or any comparable applicable provisions of state law, *provided* that solely for purposes of calculating the Fair Share Contribution Amount with respect to any Contributing Guarantor for purposes of this Section 12.01, any assets or liabilities of such Contributing Guarantor arising by virtue of any rights to subrogation, reimbursement or indemnification or any rights to or obligations of contribution hereunder shall not be considered as assets or liabilities of such Contributing Guarantor. "**Aggregate Payments**" means, with respect to a Contributing Guarantor as of any date of determination, an amount equal to (1) the aggregate amount of all payments and distributions made on or before such date by such Contributing Guarantor in respect of its Note Guarantee (including in respect of this Section 12.01), minus (2) the aggregate amount of all payments received on or before such date by such Contributing Guarantor from the other Contributing Guarantors as contributions under this Section 12.01. The amounts payable as contributions hereunder shall be determined as of the date on which the related payment or distribution is made by the applicable Funding Guarantor. Each Guarantor is a third party beneficiary to the contribution agreement set forth in this Section 12.01.

Section 12.02. *Limitation on Guarantor Liability.*

Each Guarantor, and by its acceptance of Notes, each Holder, hereby confirms that it is the intention of all such parties that the Note Guarantee of such Guarantor not constitute a fraudulent transfer or conveyance for purposes of applicable Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar federal or state law to the extent applicable to any Note Guarantee. To effectuate the foregoing intention, the Trustee, the Holders and the Guarantors hereby irrevocably agree that the obligations of such Guarantor will be limited to the maximum amount that will, after giving effect to such maximum amount and all other contingent and fixed liabilities of such Guarantor that are relevant under such laws, and after giving effect to any collections from, rights to receive contribution from or payments made by or on behalf of any other Guarantor in respect of the obligations of such other Guarantor under this Article 12, result in the obligations of such Guarantor under its Note Guarantee not constituting a fraudulent transfer or conveyance.

Section 12.03. *Execution and Delivery of Note Guarantee.*

To evidence its Note Guarantee set forth in Section 12.01, each Guarantor hereby agrees that a notation of such Note Guarantee substantially in the form attached as Exhibit D hereto will be endorsed by an Officer of such Guarantor on each Note authenticated and delivered by the Trustee and that this Indenture will be executed on behalf of such Guarantor by one of its Officers (but the failure to execute such notation shall not affect the validity of any Note Guarantee).

Each Guarantor hereby agrees that its Note Guarantee set forth in Section 12.01 will remain in full force and effect notwithstanding any failure to endorse on each Note a notation of such Note Guarantee. An Officer whose signature is on this Indenture or on the Note Guarantee no longer holds that office at the time the Trustee authenticates the Note on which a Note Guarantee is endorsed, the Note Guarantee will be valid nevertheless.

The delivery of any Note by the Trustee, after the authentication thereof hereunder, will be deemed to constitute due delivery of the Note Guarantee set forth in this Indenture on behalf of each of the Guarantors.

Section 12.04. *Guarantors May Consolidate, etc., on Certain Terms.*

Except as otherwise provided in Section 12.05, a Guarantor may not, directly or indirectly, (1) consolidate with or merge with or into, or (2) sell, convey, transfer or lease all or substantially all of its properties and assets to (whether or not such Guarantor is the surviving Person), any other Person, other than the Company or another Guarantor, unless:

(a) immediately after giving effect to that transaction, no Default or Event of Default exists;

(b) either:

(i) the Person acquiring the property in any such sale or disposition or the Person formed by or surviving any such consolidation or merger (if other than such Guarantor, the Company or another Guarantor) expressly assumes, by executing and delivering a supplemental indenture to the Trustee and the Collateral Agent that is satisfactory in form to the Trustee and the Collateral Agent in accordance with Section 9.03 hereof and any other agreements reasonably satisfactory to the Trustee and the Collateral Agent, all of the obligations of that Guarantor under its Note Guarantee, this Indenture, and all appropriate Security Documents; or

(ii) such transaction is permitted by Section 4.14; and

(c) the Company delivers to the Trustee and the Collateral Agent an Officers' Certificate and an Opinion of Counsel, each stating that such transaction and such supplemental indenture and agreements entered into by the Guarantor or the successor Person, if any, comply with this Indenture and all conditions precedent to such transaction and the execution of such supplemental indenture and other agreements, if any, provided in this Indenture have been satisfied.

(d) In the case of any such consolidation, merger, sale, conveyance, transfer or lease and upon the assumption by the successor Person, by supplemental indenture, executed and delivered to the Trustee and the Collateral Agent and satisfactory in form to the Trustee and the Collateral Agent, of the Note Guarantee of such Guarantor and the due and punctual performance of all of the covenants and conditions of this Indenture to be performed by such Guarantor, such successor Person will succeed to and be substituted for the Guarantor with the same effect as if it had been named herein as a Guarantor. Such successor Person thereupon may cause to be signed any or all of the Note Guarantees to be endorsed upon all of the Notes issuable hereunder which theretofore shall not have been signed by the Company and delivered to the Trustee; *provided*, *however*, that the Note Guarantee of such successor Person will remain in full force and effect notwithstanding any failure to endorse on each Note a notation of such Note Guarantee. All the Note Guarantees so issued will in all respects have the same legal rank and benefit under this Indenture as the Note Guarantees theretofore and thereafter issued in accordance with the terms of this Indenture as though all of such Note Guarantees had been issued at the date of the execution.

(e) Except as set forth in Article 4 and Article 5, and notwithstanding clauses (a) and (b)(i) and (ii) above, nothing contained in this Indenture or in any of the Notes will prevent any consolidation, amalgamation or merger of a Guarantor with or into the Company or another Guarantor, or will prevent any sale or conveyance of the property of a Guarantor as an entirety or substantially as an entirety to the Company or another Guarantor.

Section 12.05. *Releases.*

The Note Guarantee of any Guarantor, and the Collateral Agent's and Israeli Security Trustee's Lien on the Collateral of such Guarantor, will be released:

(a) in connection with any sale or other disposition of all, of the assets of a Guarantor (including by way of merger or consolidation) to such Person that is not (either before or after giving effect to such transaction) the Company or a Subsidiary if the sale or other disposition does not violate Section 4.14 (for the avoidance of doubt, it is understood that the acquiror of such assets only shall be released from the Note Guarantee and not the seller or other transferor of such assets);

(b) in connection with any sale or other disposition of Capital Stock of that Guarantor to a Person that is not (either before or after giving effect to such transaction) the Company or a Subsidiary, if the sale or other disposition does not violate Section 4.14 and the Guarantor ceases to be a Restricted Subsidiary of the Company as a result of the sale or other disposition; or

(c) upon the liquidation or dissolution of such Guarantor following the transfer of all of its assets to the Company or another Guarantor.

Notwithstanding the foregoing, no Guarantor shall be released from its Note Guarantee for so long as such Guarantor guarantees, is an obligor of, or provides credit support for, any Indebtedness of the Company or its Restricted Subsidiaries. If the Note Guarantee of any Guarantor is released, the Company shall deliver to the Trustee and the Collateral Agent an Officers' Certificate stating the identity of the released Guarantor, the basis for release in reasonable detail and that such release complies with this Indenture. Upon delivery by the Company to the Trustee and the Collateral Agent of an Officers' Certificate and an Opinion of Counsel to the effect that the conditions of any of clauses (a) through (c) of this Section 12.05 have been met with respect to a Guarantor in accordance with the provisions of this Indenture, including without limitation, in the case of Section 12.05(a) hereof, Section 4.14 hereof, the Trustee and the Collateral Agent, as applicable, will execute any documents reasonably requested by the Company and such Guarantor in order to evidence the release of such Guarantor from its obligations under its Note Guarantee. Any Guarantor not released from its obligations under its Note Guarantee as provided in this Section 12.05 will remain liable for the full amount of principal of and interest and premium, if any, on the Notes and for the other obligations of any Guarantor under this Indenture as provided in this Article 12.

Article 13
[Reserved]

Article 14
COLLATERAL

Section 14.01. *Security Documents.*

(a) The payment of the principal of, and accrued and unpaid interest, if any, on the Notes when due, whether on an interest payment date, at maturity, by acceleration, repurchase, redemption or otherwise and whether by the Company pursuant to the Notes or by a Guarantor pursuant to its Note Guarantee, and the payment of all other Obligations and the performance of all other obligations of the Company and the Guarantors under the Note Documents will be secured as provided in the Security Documents to be entered into by the Company, the Guarantors and the Collateral Agent (and, to the extent applicable, the Israeli Security Trustee) as required or permitted by this Indenture.

(b) The Company shall, and shall cause each Guarantor to, and each Guarantor shall execute the applicable Security Agreement and each other Security Document necessary to create a Lien in all the assets of the Company and each Guarantor on the Issue Date (other than Excluded Assets) and make all filings and take all other actions as are necessary or required to establish and maintain (at the sole cost and expense of the Company and the Guarantors) the security interest created by the Security Documents in the Collateral (other than with respect to any Collateral the security interest in which is not required to be perfected under the Security Documents) as a perfected security interest, including, for the avoidance of doubt, making all filings and taking all actions as are necessary or required in order to register and perfect the Collateral, including (i) filing for registration at the Israeli Registrar of Companies the U.S. Security Agreement, the Intellectual Property Security Agreements (as defined in the U.S. Security Agreement), the Israeli Fixed Charge and the Israeli Floating Charge and (ii) filing for registration at the Israeli Registrar of Pledges the Israeli Stock Pledge, in each case as promptly as possible following the Issue Date, but in any event no later than ten Business Days following the Issue Date, and providing the Collateral Agent with evidence of such filing.

(c) Within 30 days of the Issue Date, with respect to each Deposit Account (as defined in the U.S. Security Agreement) listed on the Perfection Certificate (as defined in the U.S. Security Agreement), the Company and the Guarantors shall enter into and deliver a Deposit Account Control Agreement (as defined in the U.S. Security Agreement) or other appropriate arrangement, in each case, satisfactory to the Collateral Agent, to perfect the Lien in each such Deposit Account to the extent possible after using commercially reasonable efforts; provided that no funds, cash or Cash Equivalents will at any time be transferred to a Deposit Account that is not subject to a Deposit Account Control Agreement or other appropriate arrangement to perfect the Lien in such Deposit Account.

In the case of Collateral consisting of Equity Interests in a Subsidiary, the Company and the Guarantors shall execute such documents and take such steps as shall be reasonably necessary to perfect a Lien under the local law of incorporation or formulation of the Subsidiary on the Issue Date; provided that the Fair Market Value of such Subsidiary and the assets and property it holds (directly or indirectly) shall be at least U.S. $500,000.

(d) If the Company or any Guarantor acquires any property that is required to be Collateral pursuant to this Indenture or the Security Documents, or any Restricted Subsidiary becomes a Guarantor that is required to pledge its assets as Collateral pursuant to this Indenture or the Security Documents, the Company or such Guarantor shall execute a joinder to an existing Security Document or enter into a new Security Document (in each case, to the extent necessary to cause such asset be so pledged), and take all steps necessary to validly perfect such Lien (to the extent required by the Security Documents and Section 4.19), subject to no Liens other than Permitted Liens.

(e) The Company and each Guarantor shall execute any and all further documents, financing statements, agreements and instruments, and take all such further actions (including the filing and recording of financing statements or amendments or continuation statements in respect thereof), that may be required under any applicable law, to ensure that the Liens of the Security Documents on the Collateral remain perfected (to the extent required by the Security Documents) with the priority required by the Security Documents, all at the expense of the Company and Guarantors and provide to the Collateral Agent and the Trustee, from time to time upon reasonable request, evidence reasonably satisfactory to the Collateral Agent and the Trustee as to the perfection and priority of the Liens created or intended to be created by the Security Documents.

Section 14.02. *Collateral Agent and Israeli Security Trustee.*

(a) The Collateral Agent shall have all the rights and protections provided in the Security Documents and, additionally, shall have all the rights and protections in its dealings under the Note Documents as are provided to the Trustee under Article 7, and under the other Note Documents; *provided*, *however* that, notwithstanding anything contained herein to the contrary, with respect to the Trustee's rights and protections as they relate to the Collateral Agent, (i) any reference to negligence shall be deemed a reference to gross negligence, and (ii) in no event shall the Collateral Agent's standard of care be affected in any way by the occurrence or continuance of an Event of Default, including for the avoidance of doubt, that the Collateral Agent shall in no event be required to exercise the rights and powers vested in it by this Indenture or the other Note Documents, and use the same degree of care and skill in its exercise as a prudent Person would exercise or use under the circumstances in the conduct of such Person's own affairs.

(b) None of the Collateral Agent, Trustee, Paying Agent, Conversion Agent, Registrar or transfer agent nor any of their respective officers, directors, employees, attorneys or agents will have any duty with respect to, or be responsible or liable for (i) the existence, genuineness, value or protection of any Collateral, for the legality, enforceability, effectiveness or sufficiency of the Security Documents or any other document or security instrument, for the creation, validity, perfection, priority, sufficiency, protection or enforcement of any Note Liens or any other security interest in the Collateral, or any defect or deficiency as to any such matters; (ii) any recording, filing, or depositing of this Indenture or the Security Documents or any other agreement or instrument, (iii) monitoring or filing any financing statement, continuation statement or any other document or instrument evidencing a security interest, the maintenance of any such recording, filing or depositing or to any re-recording, re-filing or re-depositing of any thereof, or otherwise creating or monitoring the perfection, continuation of perfection or the sufficiency or validity of any security interest in or related to the Collateral, (iv) the acquisition or maintenance of any insurance, (v) the validity of the title of the Company or the Guarantors to the Collateral, (vi) the payment or discharge of any tax, assessment, or other governmental charge or any lien or encumbrance of any kind owing with respect to, assessed or levied against, any part of the Collateral, or (vii) making any investigation into (1) the performance or observance by the Company or any other Person of any of the covenants, agreements or other terms or conditions set forth in this Indenture, any other Note Document or in any related document, (2) the satisfaction of any condition set forth in this Indenture, any other Note Document or in any related document.

(c) Except as expressly required by the Security Documents, neither of the Collateral Agent nor the Israeli Security Trustee will be obligated:

(i) to act upon directions purported to be delivered to it by any Person, except in accordance with the Security Documents or this Indenture;

(ii) to foreclose upon or otherwise enforce any Note Lien; or

(iii) to take any other action whatsoever with regard to any or all of the Note Liens, Security Documents or Collateral.

(d) The Company's and each Guarantor's payment obligations pursuant to any of the Note Documents will survive the resignation or removal of the Collateral Agent, the payment of the Notes and the discharge of this Indenture or the termination of all other Note Document. If the Collateral Agent incurs expenses after the occurrence of a Default specified in Sections 6.01(a)(xiii) or 6.01(a)(xiv) hereof with respect to the Company, the expenses are intended to constitute expenses of administration under the Bankruptcy Law.

(e) Each of the Collateral Agent and the Israeli Security Trustee shall have no duty to act, consent or request any action of any Person unless the Collateral Agent or the Israeli Security Trustee, as applicable, shall have received written direction from the Company or the Trustee (acting solely pursuant to the instructions from the Holders of at least a majority in aggregate principal amount of the Notes then outstanding voting as a single class) and indemnity satisfactory to it against any liabilities that may be incurred by it in connection therewith. The Israeli Security Trustee shall be entitled to act upon the direction of the Trustee (acting solely pursuant to the instructions of a majority in aggregate principal amount of outstanding Notes) to the extent otherwise permitted by this Indenture. For the avoidance of doubt, if the Collateral Agent or the Israeli Security Trustee receives direction from more than one party, the direction of the Trustee (acting solely pursuant to the instructions of the Holders of a majority in aggregate principal amount of outstanding Notes) shall take priority.

(f) [Reserved.]

(g) Notwithstanding anything in this Indenture or any of the Note Documents to the contrary, the Collateral Agent shall be afforded all of the rights, powers, immunities and indemnities set forth in this Indenture and the U.S. Security Agreement in all of the Note Documents as if such rights, powers, immunities and indemnities were specifically set out in each such Note Document. In no event shall the Collateral Agent be obligated to invest any amounts received by it.

(h) For purposes of determining whether the Holders of the requisite aggregate principal amount of outstanding Notes have given or concurred in any request, demand, authorization, direction, notice, consent, waiver or other action hereunder, the Collateral Agent shall be entitled to conclusively rely on the Trustee's or the Company's (or their respective agent's) written certification as to the Holders of the aggregate principal amount of outstanding Notes that have actually given or concurred in any request, demand, authorization, direction, notice, consent, waiver or other action hereunder and shall have no obligation or liability with respect to any such information. In the absence of any such written certification, the Collateral Agent may assume that no Holder has given or concurred in any such request, demand, authorization, direction, notice, consent, waiver or other action hereunder.

(i) Neither the Collateral Agent nor any of its respective officers, directors, employees or agents shall be liable for failure to demand, collect or realize upon any of the Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Collateral upon the request of the Company or any other Person or to take any other action whatsoever with regard to the Collateral or any part thereof. The powers conferred on the Collateral Agent hereunder are solely to protect the Collateral Agent's interests in the Collateral and shall not impose any duty upon the Collateral Agent to exercise any such powers. The Collateral Agent shall be accountable only for amounts that it actually receives as a result of the exercise of such powers, and neither it nor any of its officers, directors, employees or agents shall be responsible to the Company or any other Person for any act or failure to act hereunder, except for their own gross negligence or willful misconduct.

(j) Whether herein expressly so provided, every provision of the Note Documents that in any way relates to the Collateral Agent shall subject to this Article 14 and Article 7.

(k) The Collateral Agent shall be fully justified in failing or refusing to take any action under this Indenture or any other Note Document or any other related document if such action (A) would, in the reasonable opinion of the Collateral Agent, in good faith (which may be based on the advice or opinion of counsel), be contrary to applicable law, this Indenture or any other Note Document or any other related document, or (B) is not provided for in this Indenture or any other Note Document or any other related document.

(l) The Collateral Agent shall not be required to take any action under this Indenture or any other Note Document or any related document if taking such action (i) would subject the Collateral Agent to a tax in any jurisdiction where it is not then subject to a tax, or (ii) would require the Collateral Agent to qualify to do business in any jurisdiction where it is not then so qualified.

(m) The Collateral Agent shall not be liable for failing to comply with its obligations under this Indenture or any other Note Document in so far as the performance of such obligations is dependent upon the timely receipt of instructions and/or other information from any other person which are not received or not received by the time required. The Collateral Agent will not incur any liability for not performing any act or fulfilling any duty, obligation or responsibility hereunder by reason of any occurrence beyond the control of such Person (including, but not limited to, any act or provision of any present or future law or regulation or governmental authority, any act of God or war, civil unrest, local or national disturbance or disaster, any act of terrorism, or the unavailability of the Federal Reserve Bank wire or facsimile or other wire or communication facility or any similar event not otherwise listed above.

(n) The parties hereto acknowledge that in accordance with Section 326 of the U.S.A. Patriot Act, the Collateral Agent, like all financial institutions, in order to help fight the funding of terrorism and money laundering, is required to obtain, verify and record information that identifies each person or legal entity that establishes a relationship or opens an account with the Collateral Agent. The parties to this Indenture agree that they will provide the Collateral Agent with such information as it may request in order for the Collateral Agent to satisfy the requirements of the U.S.A. Patriot Act.

(o) If either of the Collateral Agent or the Israeli Security Trustee requests instructions from the Company, the Trustee or the Holders with respect to any action or omission in connection with this Indenture or any other Note Document, the Collateral Agent or the Israeli Security Trustee, as applicable, shall be entitled (without incurring any liability therefor) to refrain from taking such action and continue to refrain from acting unless and until the Collateral Agent or the Israeli Security Trustee, as applicable, shall have received written instructions from the Company, the Trustee or the Holders, as applicable, with respect to such request.

Section 14.03. *Authorization of Actions to Be Taken.*

(a) Each Holder of Notes, by its acceptance thereof, (i) consents and agrees to the terms of each Security Document, as originally in effect and as amended, supplemented or replaced from time to time in accordance with its terms or the terms of this Indenture, (ii) authorizes and directs each of the Collateral Agent and the Israeli Security Trustee to enter into the Security Documents to which it is a party, (iii) authorizes and empowers each of the Collateral Agent and the Israeli Security Trustee to bind the Holders of Notes as set forth in the Security Documents to which it is a party and to perform its obligations and exercise its rights and powers thereunder, and (iv) undertake to observe all the requirements of the Israeli Encouragement of Research, Development and Technological Innovation in Industry Law, 5744-1984 (the "**Research Law**") and the provisions of the applicable regulations, rules, procedures and benefit plans, as applied to Protalix Ltd. and as directed by the research committee of the Israeli Innovation Authority (the "**Research Committee**"), in particular those requirements relating to the prohibitions on the transfer of know-how and/or production rights; and (v) undertake as a shareholder of the Company, to make all reasonable efforts that Protalix Ltd. shall observe strictly all the requirements of the Research Law and the provisions of the applicable regulations, rules, procedures and benefit plans, as applied to Protalix Ltd. and as directed by the Research Committee, in particular those requirements relating to the prohibitions on the transfer of know-how and/or production rights. Each Holder of Notes further irrevocably authorizes and empowers the Israeli Security Trustee to execute on its behalf the standard undertaking in the form requested by the Israeli Innovation Authority.

(b) The Trustee is authorized and empowered to receive for the benefit of the Holders of Notes any funds collected or distributed to the Collateral Agent or the Israeli Security Trustee, as applicable, under the Security Documents and to make further distributions of such funds to the Holders of Notes according to the provisions of this Indenture.

Section 14.04. *Release of Collateral.*

(a) The Collateral shall be released upon termination of the Company's Obligations in accordance with Section 14.10. In addition, the Company and the Guarantors will be entitled to the release of assets included in the Collateral from the Note Liens, and the Trustee, the Collateral Agent and the Israeli Security Trustee, as applicable, shall release the same from such Liens at the Company's sole cost and expense, under any one or more of the following circumstances without the need for any further action (other than as provided for by this Section 14.02(d)) by any Person:

(i) other than in connection with the termination of the Company's Obligations as described in Section 14.10), in accordance with an Officers' Certificate of the Company that, without limiting the requirements of Section 14.04(b), also certifies that such release is permitted by the terms of the Security Documents;

(ii) pursuant to an amendment or waiver in accordance with Article 9;

(iii) in whole or in part, as applicable, as to all or any portion of property subject to such Note Liens which has been taken by eminent domain, condemnation or other similar circumstances;

(iv) in part, (including in connection with Section 4.14) as to any property that (1) is sold, transferred or otherwise disposed of by the Company or any Guarantor (other than to the Company or another Guarantor) in a transaction not prohibited by this Indenture at the time of such sale, transfer or disposition, (2) is owned or at any time acquired by a Guarantor that has been released from its guarantee pursuant to Section 12.05, concurrently with the release of such guarantee or (3) is or becomes Excluded Assets; and

(v) as to property that constitutes less than all or substantially all of the Collateral securing the Notes, with the consent of the Holders of at least 66⅔% aggregate principal amount of the Notes then outstanding voting as a single class (which consent may be obtained in connection with an exchange offer or tender offer and associated consent solicitation).

(b) With respect to any release of Collateral, the Trustee shall only direct the Collateral Agent and Israeli Security Trustee to release assets included in the Collateral from the Note Liens pursuant to Section 14.04(a), upon the Trustee's and the Collateral Agent's receipt of an Officers' Certificate and an Opinion of Counsel each stating that all conditions precedent under this Indenture, the Security Documents to such release and the execution of such documents requested by the Company in connection therewith have been met and that such release and the execution of such documents requested by the Company in connection therewith are authorized or permitted by the Indenture and the other Note Documents. Upon receipt of such Officers' Certificate and Opinion of Counsel, the Trustee shall direct the Collateral Agent and the Israeli Security Trustee to, and the Collateral Agent and Israeli Security Trustee shall (i) execute and deliver the reasonably documents requested by the Company in connection with such release, and any necessary or proper instruments of termination, satisfaction or release prepared by the Company, and (ii) execute, deliver or acknowledge (at the Company's reasonable request and expense) such instruments or releases to evidence the release of any Collateral permitted to be released pursuant to this Indenture or the Security Documents. Neither the Trustee, the Collateral Agent nor the Israeli Security Trustee shall be liable for any such release undertaken in reliance upon any such Officers' Certificate and Opinion of Counsel, and the Trustee, the Collateral Agent and the Israeli Security Trustee shall not be under any obligation to release any such Lien and security interest, or execute and deliver any such instrument of release, satisfaction or termination, unless and until it receives such Officers' Certificate and Opinion of Counsel.

Notwithstanding the foregoing, (i) at any time when a Default or Event of Default has occurred and is continuing and the maturity of the Notes has been accelerated (whether by declaration or otherwise) and, if the Trustee has delivered a notice of acceleration to the Collateral Agent or the Israeli Security Trustee, no release of Collateral pursuant to the provisions of this Indenture or the Security Documents will be effective as against the Holders or in connection with the exercise of remedies and (ii) if any asset of the Company or any Restricted Subsidiary that was released from the Note Liens pursuant to this Indenture or the Security Documents is subsequently subject to any Lien to secure other permitted secured Indebtedness, such Company or Restricted Subsidiary shall concurrently grant a Lien on such asset to secure the Note Obligations.

Section 14.05. *Use of Collateral; Compliance with Section 314(d) of the TIA.*

(a) Unless an Event of Default shall have occurred and be continuing and the Collateral Agent shall have commenced enforcement of remedies under the Security Documents, except to the extent otherwise provided in the Security Documents or this Indenture, the Company and the Guarantors will have the right to remain in possession and retain exclusive control of the Collateral to alter or repair the Collateral, to freely operate the Collateral and to collect, invest and dispose of any income thereon.

(b) The release of any Collateral from the terms of this Indenture will not be deemed to impair the security under this Indenture in contravention of provisions hereof if and to the extent the Collateral is released pursuant to the terms hereof. To the extent applicable, the Company will comply with Section 314(d) of the TIA relating to the release of property or securities subject to the Lien of the Security Documents. Any certificate or opinion required by Section 314(d) of the TIA may be made by an Officer of the Company except in cases where Section 314(d) of the TIA requires that such certificate or opinion be made by an independent Person, which Person will be an independent engineer, appraiser or other expert selected by the Company. Notwithstanding anything to the contrary in this Section 14.05(b), the Company will not be required to comply with all or any portion of Section 314(d) of the TIA if it determines, in good faith based on advice of counsel, that under the terms of Section 314(d) of the TIA and/or any interpretation or guidance as to the meaning thereof of the SEC and its staff, including "no action" letters or exemptive orders, all or any portion of Section 314(d) of the TIA is inapplicable to the released Collateral.

Section 14.06. *Powers Exercisable by Receiver or Trustee.*

In case the Collateral shall be in the possession of a receiver or trustee, lawfully appointed, the powers conferred in this Article 14 upon the Company or a Guarantor with respect to the release, sale or other disposition of such property may be exercised by such receiver or trustee, and an instrument signed by such receiver or trustee shall be deemed the equivalent of any similar instrument of the Company or a Guarantor or of any officer or officers thereof required by the provisions of this Article 14; and if the Collateral Agent shall be in the possession of the Collateral under any provision of this Indenture, then such powers may be exercised by the Collateral Agent.

Section 14.07. *Voting.*

In connection with any matter under the Security Agreement requiring a vote of holders of Secured Obligations (as defined in the U.S. Security Agreement), the holders of such Secured Obligations shall be treated as a single class and the Holders shall cast their votes in accordance with this Indenture. The amount of the Notes to be voted by the Holders will equal the aggregate outstanding principal amount of the Notes. Following and in accordance with the outcome of the applicable vote under this Indenture, the Trustee shall vote the total amount of the Notes as a block in respect of any vote under the U.S. Security Agreement, as directed by the Holders in writing.

Section 14.08. *Appointment and Authorization of Wilmington Savings Fund Society, FSB as Collateral Agent.*

(a) Wilmington Savings Fund Society, FSB is hereby designated and appointed as the Collateral Agent of the Holders under the Security Documents, and is authorized as the Collateral Agent for such Holders to execute and enter into each of the Security Documents and all other instruments relating to the Security Documents and (i) to take action and exercise such powers and remedies as are expressly required or permitted hereunder and under the Security Documents and all instruments relating hereto and thereto and (ii) to exercise such powers and perform such duties as are, in each case, expressly delegated to the Collateral Agent by the terms hereof and thereof, together with such other powers as are reasonably incidental hereto and thereto.

(b) Notwithstanding any provision to the contrary elsewhere in this Indenture or the Security Documents, the Collateral Agent shall not have (i) any duties or responsibilities except those expressly set forth herein or therein or (ii) any fiduciary relationship with any Holder, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Indenture or any Security Document or otherwise exist against the Collateral Agent.

The Collateral Agent may consult with counsel of its selection and the advice or opinion of such counsel as to matters of law shall be full and complete authorization and protection from liability in respect of any action taken, omitted or suffered by it hereunder or under the Security Documents in good faith and in accordance with the advice or opinion of such counsel.

Section 14.09. *Recordings and Opinions.*

(a) The Company and the Guarantors shall furnish to the Collateral Agent and the Trustee on December 31 of each year, commencing December 31, 2016, an Opinion of Counsel, dated as of such date, stating that:

(i) in the opinion of such counsel, (A) no further action was necessary to maintain the perfection of the security interest in the Collateral described in both the applicable UCC-1 financing statement and the Security Agreement and for which perfection the Company's or applicable Guarantor's jurisdiction of organization (or other applicable jurisdiction) may occur by the filing of a UCC-1 financing statement or other applicable filing with the appropriate filing office of the applicable party's jurisdiction of organization, and (B) based on relevant laws as in effect on the date of such Opinion of Counsel, all financing statements and continuation statements or the similar instruments have been executed and filed that are necessary as of such date and during the succeeding 12 months fully to preserve and perfect the Note Liens, to the extent the Note Liens can be perfected by such; and

(ii) in the opinions of such counsel, no further action is necessary to maintain such Liens as effective and perfected.

Section 14.10. *Release Upon Termination of the Company's Obligations.*

In the event that the Company delivers to the Trustee and the Collateral Agent, in form and substance acceptable to it, an Officers' Certificate and Opinion of Counsel certifying that all the obligations under this Indenture, the Notes and the Security Documents have been satisfied and discharged by the payment in full of the Company's Obligations under the Notes, this Indenture and the Security Documents, and all such obligations have been so satisfied, the Trustee shall deliver to the Company and the Collateral Agent a notice stating that the Trustee, on behalf of the Holders, disclaims and gives up any and all rights it has in or to the Collateral, and any rights it has under the Security Documents, and upon receipt by the Collateral Agent of such notice, the Collateral Agent shall be deemed not to hold a Lien in the Secured Parties on behalf of the Trustee and shall do or cause to be done all acts reasonably requested to release such Lien.

Section 14.11. *Replacement of Collateral Agent.*

(a) The Collateral Agent may resign at any time by notifying the Company, in writing, at least 30 days prior to the proposed resignation. The Holders of a majority in aggregate principal amount of then outstanding Notes may remove the Collateral Agent by notifying the Collateral Agent, in writing, at least 30 days prior to the proposed removal. Prior to the occurrence of an Event of Default, the Company may remove the Collateral Agent if:

(i) the Collateral Agent is adjudged bankrupt or insolvent;

(ii) a receiver or other public officer takes charge of the Collateral Agent or its property; or

(iii) the Collateral Agent otherwise becomes incapable of acting.

(b) If the Collateral Agent resigns, is removed by the Company or by the Holders of a majority in aggregate principal amount of the Notes then outstanding, or if a vacancy exists in the office of Collateral Agent for any reason (the Collateral Agent in such event being referred to herein as the retiring Collateral Agent), then prior to an Event of Default, the Company will promptly appoint a successor Collateral Agent, and, after the occurrence of an Event of Default, Holders of a majority in aggregate principal amount of then outstanding Notes may appoint a successor.

(c) A successor Collateral Agent will deliver a written acceptance of its appointment to the retiring Collateral Agent and to the Company. Thereupon, the resignation or removal of the retiring Collateral Agent will become effective, and the successor Collateral Agent will have all the rights, powers and duties of the Collateral Agent under this Indenture and the other Note Documents. The successor Collateral Agent will send a notice of its succession to Holders. The retiring Collateral Agent will, upon payment of all of its costs and the costs of its agents and counsel, promptly transfer all property held by it as Collateral Agent to the successor Collateral Agent, subject to the lien provided for in connection with the payment obligations of the Company to the Collateral Agent.

(d) If a successor Collateral Agent does not take office within 60 days after the retiring Collateral Agent resigns or is removed, the retiring Collateral Agent, the Company or the Holders of at least 10% of the aggregate principal amount of the Notes then outstanding may petition, at the expense of the Company, any court of competent jurisdiction for the appointment of a successor Collateral Agent.

(e) Notwithstanding the replacement of the Collateral Agent, the Company's payment obligations, including with respect to indemnification obligations, to the Collateral Agent under the Note Documents will continue for the benefit of the retiring Collateral Agent.

Section 14.12. *Successor Collateral Agent by Merger.*

(a) If the Collateral Agent consolidates with, merges or converts into, or transfers all or substantially all its corporate trust business or assets to, another corporation or banking association, the resulting, surviving or transferee corporation or banking association without any further act will be the successor Collateral Agent.

Section 14.13. *The Trustee.*

The Trustee shall not have any duty or responsibility in the event of any default by the Collateral Agent or the Israeli Security Trustee or any action or inaction by the Collateral Agent or the Israeli Security Trustee in the performance of any of its obligations under this Indenture, the Notes and/or the Security Documents, as the case may be, and/or any other agreement pertaining to any or all of the foregoing, included but not limited to any duty or responsibility to initiate or attempt to initiate any proceeding at law or otherwise against the Collateral Agent or the Israeli Security Trustee or to make any demand of any kind or nature upon the Collateral Agent or the Israeli Security Trustee. The Trustee shall not be responsible for the existence, genuineness or value of any of the Collateral or for the validity, perfection or enforceability of the Liens in any of the Collateral, whether impaired by operation of law or otherwise, for the validity or sufficiency of the Collateral or any agreement or assignment contained therein, for the validity of the title of the Grantors to the Collateral, for insuring the Collateral or for payment of taxes, charges, assessments or Liens upon the Collateral or otherwise as to the maintenance of the Collateral. The Trustee shall have no responsibility for recording, filing, re-recording or re-filing any financing statement, continuation statement, document, instrument or other notice in any public office at any time or times or to otherwise take any action to perfect or maintain the perfection of any security interest granted to the Collateral Agent or the Israeli Security Trustee or for otherwise taking any action under or pursuant to the Security Documents. The Trustee shall not be required to make any determination (i) with respect to the Collateral or (ii) as to what rights the Holders may have under this Indenture, the Security Documents or any other document in respect of the Collateral and the Trustee's sole obligation in respect of the Collateral shall be limited to delivery of instructions to the Collateral Agent and the Israeli Security Trustee upon written request of the Holders of the requisite percentage of outstanding Notes as required by this Indenture. Except for delivery of instructions in accordance with the foregoing sentence, the Trustee shall not be required to take any action outside the United States or take any action under any agreement forming part of, or constituting the Collateral, it being understood that the Trustee is authorized to receive any funds for the benefit of the Trustee and the Holders distributed under the Security Documents and to make further distributions of such funds according to the provisions of this Indenture.

Article 15
MISCELLANEOUS

Section 15.01. *[Reserved].*

Section 15.02. *Notices.* Any request, demand, authorization, notice, waiver, consent or communication will be in English and in writing and delivered in Person or mailed by first-class mail, postage prepaid, overnight courier addressed as follows or transmitted by facsimile transmission, electronic mail or other similar means of unsecured electronic methods to the following:

if to the Company or a Guarantor:
2 Snunit Street, Science Park, P.O. Box 455, Carmiel 20100, Israel

if to the Trustee, Registrar, Paying Agent or Conversion Agent:
The Bank of New York Mellon Trust Company, N.A., 10161 Centurion Parkway North,
2nd Floor, Jacksonville, Florida 32256, Attention: Corporate Trust

if to the Collateral Agent:

Wilmington Savings Fund Society, FSB
500 Delaware Avenue, 11th Floor
P.O. Box 957
Wilmington, Delaware 19899
Attention: Patrick Healy - Protalix

The Company, the Guarantors, the Collateral Agent or the Trustee, by notice given to the other in the manner provided above, may designate additional or different addresses for subsequent notices or communications.

Any notice or communication given to a Holder of a Definitive Note will be mailed to the Holder, by first class mail, postage prepaid, at the Holder's address as it appears on the Register of the Registrar and will be deemed given on the date of such mailing; *provided*, *however*, that with respect to any Global Note, such notice or communication will be sent to the Holder thereof pursuant to the Applicable Procedures. Failure to mail or send a notice or communication to a Holder or any defect in it will not affect its sufficiency with respect to other Holders. If a notice or communication is mailed or sent in the manner provided above, it is duly given, whether or not received by the addressee. If the Company or any Guarantor mails or sends a notice or communication to the Holders, it will, at the same time, mail a copy to the Trustee and each of the Registrar, Paying Agent and Conversion Agent. If the Company or any Guarantor is required under this Indenture to give a notice to the Holders, in lieu of delivering such notice to the Holders, the Company or such Guarantor may deliver such notice to the Trustee and cause the Trustee, at the Company's or Guarantor's expense, as applicable, to have delivered such notice to the Holders on or prior to the date on which the Company or such Guarantor would otherwise have been required to deliver such notice to the Holders. In such a case, the Company or such Guarantor will also cause the Trustee to mail a copy of the notice to each of the Registrar, Paying Agent and Conversion Agent (if other than the Trustee) at the same time it sends the notice to the Holders.

In respect of this Indenture, neither the Trustee nor the Collateral Agent shall have any duty or obligation to verify or confirm that the Person sending instructions, directions, reports, notices or other communications or information by electronic transmission is, in fact, a Person authorized to give such instructions, directions, reports, notices or other communications or information on behalf of the party purporting to send such electronic transmission; and neither the Trustee nor the Collateral Agent shall have any liability for losses, liabilities, costs or expenses incurred or sustained by any party as a result of such reliance upon or compliance with such instructions, directions, reports, notices or other communications or information. Each other party agrees to assume all risks arising out of the use of electronic methods to submit instructions, directions, reports, notices or other communications or information to the Trustee or the Collateral Agent, including, without limitation the risk of the Trustee or the Collateral Agent acting on unauthorized instructions, notices, reports or other communications or information, and the risk of interception and misuse by third parties.

Section 15.03. *Certificate and Opinion as to Conditions Precedent.* Upon any request or application by the Company to the Trustee or the Collateral Agent to take any action under this Indenture other than the authentication of any initial Global Notes on the Issue Date, the Company will furnish to the Trustee and the Collateral Agent:

(a) an Officers' Certificate stating that, in the judgment or opinion of the signers, all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with; and

(b) an Opinion of Counsel stating that, in the judgment or opinion of such counsel, all such conditions precedent relating to the proposed action (to the extent of legal conclusions and subject to reasonable assumptions and exclusions) have been complied with.

Section 15.04. *Statements Required in Certificate or Opinion.* Each Officers' Certificate or Opinion of Counsel with respect to compliance with a covenant or condition (except for such Officers' Certificate required to be delivered pursuant to Section 4.05 hereof) provided for in this Indenture will include:

(a) a statement that each Person making such Officers' Certificate or Opinion of Counsel has read such covenant or condition;

(b) a brief statement as to the nature and scope of the examination or investigation upon which the statements, judgments or opinions contained in such Officers' Certificate or Opinion of Counsel are based;

(c) a statement that, in the judgment or opinion of each such Person, he has made such examination or investigation as is necessary to enable such Person to express an informed judgment or opinion as to whether or not such covenant or condition has been complied with; and

(d) a statement that, in the judgment or opinion of such Person, such covenant or condition has been complied with.

Section 15.05. *Separability Clause.* In case any provision in this Indenture or in the Notes will be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired thereby.

Section 15.06. *Rules by Trustee.* The Trustee may make reasonable rules for action by, or a meeting of, Holders.

Section 15.07. *Governing Law and Waiver of Jury Trial.* THIS INDENTURE AND EACH NOTE AND NOTE GUARANTEE WILL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK. EACH OF THE COMPANY, THE GUARANTORS, THE TRUSTEE AND THE COLLATERAL AGENT HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE NOTES, THE NOTE GUARANTEES OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 15.08. *Force Majeure.* The Trustee, Registrar, Paying Agent and Conversion Agent will not incur any liability for not performing any act or fulfilling any duty, obligation or responsibility hereunder by reason of any occurrence beyond the control of such Person (including, but not limited to, any act or provision of any present or future law or regulation or governmental authority, any act of God or war, civil unrest, local or national disturbance or disaster, any act of terrorism, or the unavailability of the Federal Reserve Bank wire or facsimile or other wire or communication facility).

Section 15.09. *Submission to Jurisdiction.* Each of the Company and Guarantors: (a) agrees that any suit, action or proceeding against it arising out of or relating to this Indenture, the Notes or the Note Guarantees, as the case may be, may be instituted in any U.S. federal court with applicable subject matter jurisdiction sitting in The City of New York; (b) waives, to the fullest extent permitted by applicable law, any objection which it may now or hereafter have to the laying of venue of any such suit, action or proceeding, and any claim that any suit, action or proceeding in such a court has been brought in an inconvenient forum; and (c) submits to the nonexclusive jurisdiction of such courts in any suit, action or proceeding. Each of the Company and the Guarantors hereby irrevocably appoints Corporation Service Company located at 1180 Avenue of the Americas, Suite 210, New York, NY 10036, as its authorized agent in the State of New York upon which process may be served in any such suit or proceedings, and agrees that service of process upon such agent shall be deemed in every respect effective service of process upon the Company and/or the Guarantors in any such suit or proceeding. Each of the Company and the Guarantors further agrees to take any and all action as may be necessary to maintain such designation and appointment of such agent in full force and effect for the term of this Indenture. Nothing in this Indenture shall in any way be deemed to limit the ability to serve any such writs, process or summonses in any other manner permitted by applicable law.

Section 15.10. *Legal Holidays.* If the Maturity Date or any Interest Payment Date, Fundamental Change Repurchase Date, date upon which any Notes are to be repurchased pursuant to a Redemption Date or Conversion Date is not a Business Day, then any action to be taken on such date need not be taken on such date, but may be taken on the immediately following Business Day with the same force and effect as if taken on such date, and no interest will accrue for the period from and after such date.

Section 15.11. *Benefits of Indenture.* Except as provided in Section 14.11, nothing in this Indenture or in the Notes or the Note Guarantees, expressed or implied, will give to any Person, other than the parties hereto, any Paying Agent, Conversion Agent, Registrar, and their successors hereunder, and the Holders any benefit or any legal or equitable right, remedy or claim under this Indenture.

Section 15.12. *U.S.A. Patriot Act.* The parties hereto acknowledge that in accordance with Section 326 of the U.S.A. Patriot Act, the Trustee, like all financial institutions, in order to help fight the funding of terrorism and money laundering, is required to obtain, verify and record information that identifies each person or legal entity that establishes a relationship or opens an account with the Trustee. The parties to this Indenture agree that they will provide the Trustee with such information as it may request in order for the Trustee to satisfy the requirements of the U.S.A. Patriot Act.

Section 15.13. *Tax Withholding.* Nothing herein shall preclude any tax withholding required by law or regulation. In addition, if the Company or other applicable withholding agent pays withholding taxes on behalf of a Holder or beneficial owner of a Note as a result of an adjustment to the Conversion Rate, the Company or other applicable withholding agent may, at its option, set off such payments against payments of cash and shares of Common Stock on the Note.

Section 15.14. *Tax Matters.*

(a) The Company has entered into this Indenture, and the Notes will be issued, with the intention that, for all tax purposes, the Notes will qualify as indebtedness. The Company, by entering into this Indenture, and each Holder and beneficial owner of Notes, agree to treat the Notes as indebtedness for all tax purposes.

(b) The Company shall not be obligated to pay any additional amounts to the Holders or beneficial holder of the Notes as a result of any withholding or deduction for, or on account of, any present or future taxes of whatever nature.

Section 15.15. *Tax Information.*

(a) In order to comply with applicable tax laws (inclusive of rules, regulations and interpretations promulgated by competent authorities) related to this Indenture in effect from time to time ("**Applicable Law**") that a foreign financial institution, issuer, trustee, paying agent or other party is or has agreed to be subject to, the Company agrees (i) to provide to the Trustee and the Paying Agent sufficient information about the parties and/or transactions (including any modification to the terms of such transactions) so the Trustee and the Paying Agent can determine whether it has tax related obligations under Applicable Law, provided such information is readily available to the Company, and (ii) that the Trustee and the Paying Agent shall be entitled to make any withholding or deduction from payments to the extent necessary to comply with Applicable Law for which the Trustee and the Paying Agent shall not have the liability. The terms of this section shall survive the termination of this Indenture.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed as a deed the day and year first before written.

Protalix BioTherapeutics, Inc., as Company

/s/ Moshe Manor
By:
Name: Moshe Manor
Title: President and Chief Executive Officer

Protalix Ltd., as Guarantor

/s/ Moshe Manor
By:
Name: Moshe Manor
Title: President and Chief Executive Officer

Protalix B.V., as Guarantor

/s/ Moshe Manor
By:
Name: Moshe Manor
Title: Managing Director

IN WITNESS WHEREOF, the undersigned, being duly authorized, has executed this Indenture as of the day and year first before written.

The Bank of New York Mellon Trust Company, N.A., as Trustee,
Registrar, Paying Agent and Conversion Agent

/s/ R. Tarnas
By:
Name: R. Tarnas
Title: Vice President

IN WITNESS WHEREOF, the undersigned, being duly authorized, has executed this Indenture as of the day and year first before written.

Wilming Savings Fund Society, FSB, as Collateral Agent

/s/ Geoffrey J. Lewis

By:
Name: Geoffrey J. Lewis
Title: Vice President

THIS IS A GLOBAL NOTE WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF THE DEPOSITARY OR A NOMINEE OF THE DEPOSITARY, WHICH MAY BE TREATED BY THE COMPANY, THE TRUSTEE AND ANY AGENT THEREOF AS OWNER AND HOLDER OF THIS NOTE FOR ALL PURPOSES.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (AND ANY PAYMENT HEREON IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL NOTE WILL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF THE DEPOSITORY TRUST COMPANY, OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR’S NOMINEE, AND TRANSFERS OF PORTIONS OF THIS GLOBAL NOTE WILL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN ARTICLE 2 OF THE INDENTURE REFERRED TO ON THE REVERSE HEREOF.

THE SALE OF THIS NOTE HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), AND, ACCORDINGLY, PRIOR TO THE FREE TRADE DATE (AS DEFINED BELOW), THIS NOTE (AND ANY BENEFICIAL INTEREST HEREIN) MAY NOT BE OFFERED, RESOLD OR OTHERWISE TRANSFERRED, EXCEPT:

(A) TO THE COMPANY OR ANY SUBSIDIARY THEREOF;

(B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BECOME EFFECTIVE UNDER THE SECURITIES ACT;

(C) TO A PERSON THAT YOU REASONABLY BELIEVE TO BE A QUALIFIED INSTITUTIONAL BUYER AND IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT; OR

(D) UNDER ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT (INCLUDING, IF AVAILABLE, THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT).

THE “FREE TRADE DATE” MEANS THE DATE THAT IS ONE YEAR AFTER THE LAST ORIGINAL ISSUE DATE OF THIS NOTE.

PRIOR TO ANY TRANSFER PURSUANT TO THE FOREGOING CLAUSE (D), THE COMPANY AND THE TRUSTEE RESERVE THE RIGHT TO REQUIRE THE DELIVERY OF SUCH CERTIFICATIONS, LEGAL OPINIONS OR OTHER INFORMATION AS THEY MAY REASONABLY REQUIRE AND MAY RELY UPON TO CONFIRM THAT SUCH TRANSFER IS BEING MADE PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

THIS NOTE WILL BE ISSUED WITH ORIGINAL ISSUE DISCOUNT. TO OBTAIN THE “ISSUE PRICE”, “ISSUE DATE”, “YIELD TO MATURITY”, “COMPARABLE YIELD” AND “PROJECTED PAYMENT” SCHEDULE FOR THE NOTES REQUIRED PURSUANT TO SECTION 1.1275-3(B) OF THE TREASURY REGULATIONS, CONTACT THE SENIOR DIRECTOR, FINANCE OF PROTALIX BIOTHERAPEUTICS, INC. AT THE ADDRESS SET FORTH IN SECTION 15.02 OF THE INDENTURE.

No.: 1
CUSIP: 74365A AC5 *
ISIN: US74365AAC53*

Principal Amount $22,500,000
as revised by the Schedule of Increases and
Decreases of Global Note attached hereto

Protalix BioTherapeutics, Inc.
7.50% Senior Secured Convertible Notes due 2021

Protalix BioTherapeutics, Inc., a Delaware corporation (the "**Company**"), promises to pay to Cede & Co., or registered assigns, the principal amount of $22,500,000 (as revised by the Schedule of Increases and Decreases of Global Note attached hereto) on the Maturity Date (as defined in the within-mentioned Indenture).

Interest Payment Dates: May 15 and November 15, beginning on May 15, 2017.

Record Dates: May 1 and November 1 of each year (whether or not a Business Day).

Additional provisions of this Note are set forth on the other side of this Note.

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* Upon the removal of the Restricted Notes Legend in accordance with the within-mentioned Indenture, these CUSIP and ISIN numbers will be deemed removed and replaced with CUSIP number 74365A AD3 and ISIN number US74365AAD37.

PROTALIX BIOTHERAPEUTICS, INC.

By: ______________________________
Name:
Title:
Dated:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

The Bank of New York Mellon Trust Company, N.A., as Trustee, certifies that this is one of the Notes referred to in the within-mentioned Indenture.

The Bank of New York Mellon Trust
Company, N.A.

By: ______________________________

Authorized Signatory
Dated:

[REVERSE OF NOTE]

Protalix BioTherapeutics, Inc.
7.50% Senior Secured Convertible Notes due 2021

This Note is one of a duly authorized issue of notes of Protalix BioTherapeutics, Inc. (the "**Company**"), designated as its 7.50% Senior Secured Convertible Notes due 2021 (the "**Notes**"), all issued or to be issued under and pursuant to an indenture dated as of the Issue Date (the "**Indenture**"), among the Company, the guarantors party thereto (the "**Guarantors**"), The Bank of New York Mellon Trust Company, N.A., as trustee (the "**Trustee**") registrar, paying agent and conversion agent and Wilmington Savings Fund Society, FSB, as collateral agent (the "Collateral Agent"), to which Indenture and all indentures supplemental thereto reference is hereby made for a description of the rights, limitations of rights, obligations, duties and immunities thereunder of the Trustee, the Registrar, the Paying Agent, the Conversion Agent, the Collateral Agent, the Company, the Guarantors and the Holders. Capitalized terms used herein and not defined herein have the meanings ascribed to them in the Indenture, and the terms of the Notes include those stated in the Indenture and those incorporated into the Indenture. Notwithstanding anything herein to the contrary, to the extent that any provision of this Note conflicts with the express provisions of the Indenture, the provisions of the Indenture will govern and control. The Notes and the related Note Guarantees and the obligations of the Company and the Guarantors are secured obligations of the Company and the relevant Guarantors. The Notes, the related Note Guarantees and the obligations of the Company and the Guarantors are secured by the Collateral pursuant to the Security Documents referred to in the Indenture.

1. Interest. This Note will bear interest at a rate equal to 7.50% per annum. Interest on this Note will accrue from the most recent date to which interest has been paid or provided for, or, if no interest has been paid or provided for, December 7, 2016. Interest will be payable semiannually in arrears on May 15 and November 15 of each year, beginning on May 15, 2017. Each payment of cash interest on this Note will include interest accrued for the period commencing on and including the immediately preceding Interest Payment Date (or, if none, December 7, 2016) through, and including, the day before the applicable Interest Payment Date.

Pursuant to Section 2.04(a)(iii) of the Indenture, the Company may elect to pay a portion of the interest on this Note in shares of Common Stock.

Pursuant to Section 4.03(d) and Section 4.04 of the Indenture, in certain circumstances, the Company will pay Special Interest and Additional Interest, respectively, on this Note.

Pursuant to Section 2.03 of the Indenture, in certain circumstances, the Company will pay Default Interest on Defaulted Amounts with respect to this Note.

2. Method of Payment. The Company will promptly make all payments on this Note on the dates and in the manner provided herein and in the Indenture. Cash payments on Notes represented by a Global Note (including principal and interest) will be made by wire transfer of immediately available funds to the accounts specified by the Depositary. Payments in the form of shares of Common Stock will be made in accordance with Section 2.04(a)(iii) of the Indenture. The Company will pay principal of, and any Fundamental Change Repurchase Price or Redemption Price for, Definitive Notes at the office or agency designated by the Company for such purpose. Interest on Definitive Notes will be made as described in Section 2.03, except that any payment of interest due on the Maturity Date will be made at the office or agency designated by the Company for such purpose. All cash payments on this Note will be made in money of the United States that at the time of payment is legal tender for payment of public and private debts.

3. Paying Agent, Conversion Agent and Registrar. Initially, The Bank of New York Mellon Trust Company, N.A. will act as the Trustee, Paying Agent, Conversion Agent and Registrar. The Company may appoint and change any Paying Agent, Conversion Agent or Registrar, *provided* that the Company will maintain at least one Paying Agent, Conversion Agent and Registrar in the continental United States. The Company or any of its Subsidiaries or any of their Affiliates may act as Paying Agent, Conversion Agent or Registrar.

4. Repurchase By the Company at the Option of the Holder. At the option of the Holder, and subject to the terms and conditions of the Indenture, upon the occurrence of a Fundamental Change, each Holder will have the right, at its option, to require the Company to repurchase for cash all of its Notes, or any portion of its Notes having a principal amount equal to $1,000 or an integral multiple of $1,000 in excess thereof, at a Fundamental Change Repurchase Price equal to 100% of the principal amount of Notes to be purchased plus accrued and unpaid interest, if any, to but excluding, the Fundamental Change Repurchase Date, unless the Fundamental Change Repurchase Date falls after a Regular Record Date but on or prior to the Interest Payment Date to which such Regular Record Date relates, in which case the Company will instead pay the full amount of accrued and unpaid interest to Holders of record as of such Regular Record Date, and the Fundamental Change Repurchase Price shall be equal to 100% of the principal amount of Notes to be repurchased pursuant to Article 3 of the Indenture. To exercise its purchase right, a Holder must comply with the procedures set forth in Article 3 of the Indenture.

5. Redemption at the Option of the Company. From time to time prior to the Maturity Date, the Company may redeem, in cash at the applicable Redemption Price, (a) any or all of the Notes if the Last Reported Sale Price of the Common Stock for at least 20 Trading Days (whether or not consecutive) during the period of 30 consecutive Trading Days ending on, and including, the Trading Day immediately preceding the Redemption Notice Date exceeds 150% of the applicable Conversion Price on each applicable Trading Day or (b) all (and not less than all) of the Notes then outstanding if, at any time after the Issue Date, the aggregate principal amount of Notes then outstanding is less than 15% of the aggregate principal amount of Notes issued on the Issue Date. Any Redemption Notice must be given to the Holders of the Notes not less than 25 nor more than 30 Scheduled Trading Days prior to the applicable Redemption Date. The Company may not designate a Redemption Date that falls during or within three Business Days after the end of a Make-Whole Adjustment Period. The Redemption Price that the Company will pay for any Notes is set forth in the Indenture.

6. Conversion. Subject to, and upon compliance with, the provisions of Article 10 of the Indenture, a Holder may, at its option, convert all of its Notes, or any portion of its Notes having a principal amount equal to $1,000 or an integral multiple of $1,000 in excess thereof, into cash, Common Stock, or a combination thereof, at the election of the Company, as provided in Article 10 of the Indenture, based on the Conversion Rate. Notes may not be converted after the Close of Business on the Business Day immediately preceding the Maturity Date (or, for any Notes called for redemption by the Company upon exercise of its Optional Redemption right, after the Close of Business on the second Business Day immediately preceding the applicable Redemption Date). Section 10.13 of the Indenture imposes a limitation on the number of shares of Common Stock that may be received by a beneficial owner upon conversion of the Notes.

7. Ranking and Collateral. The Notes and the Note Guarantees are general senior secured obligations of the Company and the Guarantors, respectively, and are *pari passu* in right of payment with all existing and future Indebtedness of the Company and the Guarantors that is not, by its terms, expressly subordinated in right of payment to the Notes or Note Guarantees. The security interests securing the Notes and the Note Guarantees will be, other than as set forth in the Indenture and the Security Documents, first in priority to any and all security interests.

8. Denominations; Transfer; Exchange. The Notes are in fully registered form, without coupons, in minimum denominations of $1,000 of principal amount and in integral multiples of $1,000 in excess thereof. A Holder may transfer or exchange Notes in accordance with the Indenture. The Registrar may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Indenture. The Registrar need not transfer or exchange any Notes (i) in respect of which a Fundamental Change Repurchase Notice has been given and not withdrawn (except, in the case of a Note to be repurchased in part, the portion of the Note not to be repurchased), (ii) after the Company has delivered a Notice of Redemption (except to the extent that Notes are converted or the Company fails to pay the Redemption Price in accordance with Article 11 of the Indenture) or (iii) in respect of which a Conversion Notice has been given (except, in the case of a Note to be converted in part, the portion of the Note not to be converted).

9. Amendment, Supplement and Waiver. Subject to certain exceptions, the Indenture permits the Indenture, the Notes, the Note Guarantees and any Security Documents to be amended or supplemented with the written consent of the Holders of at least a majority in aggregate principal amount of the then outstanding Notes. In certain circumstances, the Company and the Trustee may also amend or supplement the Indenture, the Notes, the Note Guarantees or any Security Documents without the consent of any Holder. Subject to certain exceptions, the Indenture permits the waiver of certain Events of Default or the noncompliance with certain provisions of the Indenture, the Notes, the Note Guarantees and any Security Documents with the written consent of the Holders of at least a majority in aggregate principal amount of the then outstanding Notes.

In addition, (x) any amendment to, or waiver of, the provisions of the Indenture, the Notes, the Note Guarantees or any Security Document that has the effect of releasing all or substantially all of the Collateral from the Note Liens or (y) any changes in the provisions of the Indenture or any material change in the provisions in the Security Documents, in each case dealing with the application of proceeds of Collateral upon exercise of remedies with respect to such Collateral that adversely affects the Holders, shall require the consent of the Holders of at least 66 and 2/3% in aggregate principal amount of the Notes then outstanding under the Indenture (including any consents obtained in connection with a tender offer or exchange for the Notes).

10. Defaults and Remedies. Subject to the immediately following paragraph, if an Event of Default specified in the Indenture occurs and is continuing, the Trustee, by delivering a written notice to the Company, or the Holders of at least 25% in aggregate principal amount of the Notes then outstanding, by delivering a written notice to the Company and the Trustee, may declare all the Notes to be due and payable immediately by delivering notice to the Company. In addition, certain specified Events of Default will cause the Notes to become immediately due and payable without the Trustee or Holders taking any action.

Holders may not enforce the Indenture, the Notes, the Note Guarantees and any Security Documents except as provided in the Indenture. The Trustee and the Collateral Agent may each refuse to enforce the Indenture, the Notes, the Note Guarantees and any Security Documents unless it receives indemnity or security satisfactory to it. Holders of a majority of the principal amount of the then outstanding Notes may direct the Trustee and the Collateral Agent in its exercise of any trust or power, subject to certain limitations set forth in the Indenture. Subject to certain exceptions, the Trustee may withhold from Holders notice of any continuing Event of Default or Default if it determines that withholding notice is in their interest.

11. Persons Deemed Owners. The Holder of this Note will be treated as the owner of this Note for all purposes.

12. Unclaimed Money or Notes. The Trustee and the Paying Agent will return to the Company upon written request any money or securities held by them for the payment of any amount with respect to the Notes that remain unclaimed for two years, subject to applicable unclaimed property law. After return to the Company, Holders entitled to the money or securities must look to the Company for payment as general creditors, unless an applicable abandoned property law designates another Person.

13. Trustee Dealings with the Company. The Trustee, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with and collect obligations owed to it by the Company or its Affiliates and may otherwise deal with the Company or its Affiliates with the same rights it would have if it were not the Trustee.

14. Calculations in Respect of Notes. Except as otherwise provided in the Indenture, the Company will be responsible for making all calculations called for under the Notes and the Indenture. These calculations include, but are not limited to, determinations of the Last Reported Sale Price of the Common Stock or any other security, the amount and type of consideration due upon the conversion of any Note, accrued interest payable on the Notes and the Conversion Rate in effect on any Conversion Date.

The Company will make all these calculations in good faith and, absent manifest error, its calculations will be final and binding on all Holders.

15. No Recourse Against Others. A director, officer, employee or stockholder, as such, of the Company or any Guarantor will not have any liability for any obligations of the Company or the Guarantors under the Notes or the Indenture or for any claim based on, in respect of or by reason of such obligations or their creation. By accepting a Note, each Holder waives and releases all such liability. The waiver and release are part of the consideration for the issuance of the Notes

16. Authentication. This Note will not be valid until an authorized signatory of the Trustee manually signs the Trustee's certificate of authentication on the other side of this Note.

17. Abbreviations. Customary abbreviations may be used in the name of a Holder or an assignee, such as TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= custodian), and U/G/M/A (= Uniform Gift to Minors Act).

18. GOVERNING LAW. THE INDENTURE, THE NOTES AND THE NOTE GUARANTEES WILL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

19. CUSIP and ISIN Numbers. Pursuant to a recommendation promulgated by the Committee on Uniform Note Identification Procedures and the International Securities Identification Numbers Organisation, the Company has caused CUSIP and ISIN numbers to be printed on the Notes, and the Trustee may use CUSIP and ISIN numbers in any notices as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice, and reliance may be placed only on the other identification numbers placed thereon.

The Company will furnish to any Holder, upon written request and without charge, a copy of the Indenture which has in it the text of this Note. Requests may be made to:

Protalix BioTherapeutics, Inc.
2 Snunit Street, Science Park
POB 455
Carmiel 20100, Israel
Attention: Yossi Maimon

CONVERSION NOTICE

PROTALIX BIOTHERAPEUTICS, INC.
7.50% SENIOR SECURED CONVERTIBLE NOTES DUE 2021

To convert this Note, check the box ☐

To convert the entire principal amount of this Note, check the box ☐

To convert only a portion of the principal amount of this Note, check the box ☐ and here specify the principal amount to be converted, which principal amount must equal $1,000 or an integral multiple of $1,000 in excess thereof:

$ ______________________________

Signature Guaranteed

____

Participant in a Recognized Signature
Guarantee Medallion Program

By: ______________________________

Authorized Signatory

OPTION OF HOLDER TO ELECT PURCHASE

The Bank of New York Mellon Trust Company, N.A.
10161 Centurion Parkway North, 2nd Floor, Jacksonville, Florida 32256
Attention: Corporate Trust

The undersigned registered owner of this Note hereby acknowledges receipt of a notice from Protalix BioTherapeutics, Inc. (the "**Company**") as to the occurrence of a Fundamental Change with respect to the Company and specifying the Fundamental Change Repurchase Date and requests and instructs the Company to pay to the Holder hereof in accordance with the applicable provisions of the Indenture referred to in this Note (1) the entire principal amount of this Note, or the portion thereof (that is equal to $1,000 principal amount or an integral multiple of $1,000 in excess thereof) below designated, and (2) if such Fundamental Change Repurchase Date does not occur during the period after a Regular Record Date and on or prior to the corresponding Interest Payment Date, accrued and unpaid interest, if any, thereon to, but excluding, such Fundamental Change Repurchase Date.

Principal amount to be repaid (if less than all): $,000
CUSIP/ISIN: ____________________________

Signature Guaranteed

____
Participant in a Recognized Signature

Guarantee Medallion Program

By: ________________________________
Authorized Signatory

SCHEDULE OF INCREASES AND DECREASES OF GLOBAL NOTE

Initial Principal Amount of Global Note: $22,500,000

Date	Amount of Increase in Principal Amount of Global Note	Amount of Decrease in Principal Amount of Global Note	Principal Amount of Global Note After Increase or Decrease	Notation by Custodian

THIS IS A GLOBAL NOTE WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF THE DEPOSITARY OR A NOMINEE OF THE DEPOSITARY, WHICH MAY BE TREATED BY THE COMPANY, THE TRUSTEE AND ANY AGENT THEREOF AS OWNER AND HOLDER OF THIS NOTE FOR ALL PURPOSES.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (AND ANY PAYMENT HEREON IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL NOTE WILL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF THE DEPOSITORY TRUST COMPANY, OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE, AND TRANSFERS OF PORTIONS OF THIS GLOBAL NOTE WILL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN ARTICLE 2 OF THE INDENTURE REFERRED TO ON THE REVERSE HEREOF.

THIS NOTE WILL BE ISSUED WITH ORIGINAL ISSUE DISCOUNT. TO OBTAIN THE "ISSUE PRICE", "ISSUE DATE", "YIELD TO MATURITY", "COMPARABLE YIELD" AND "PROJECTED PAYMENT" SCHEDULE FOR THE NOTES REQUIRED PURSUANT TO SECTION 1.1275-3(B) OF THE TREASURY REGULATIONS, CONTACT THE SENIOR DIRECTOR, FINANCE OF PROTALIX BIOTHERAPEUTICS, INC. AT THE ADDRESS SET FORTH IN SECTION 15.02 OF THE INDENTURE.

No.: 1
CUSIP: 74365A AD3
ISIN: US74365AAD37

Principal Amount $40,186,000
as revised by the Schedule of Increases and
Decreases of Global Note attached hereto

Protalix BioTherapeutics, Inc.
7.50% Senior Secured Convertible Notes due 2021

Protalix BioTherapeutics, Inc., a Delaware corporation (the "**Company**"), promises to pay to Cede & Co., or registered assigns, the principal amount of $40,186,000 (as revised by the Schedule of Increases and Decreases of Global Note attached hereto) on the Maturity Date (as defined in the within-mentioned Indenture).

Interest Payment Dates: May 15 and November 15, beginning on May 15, 2017.

Record Dates: May 1 and November 1 of each year (whether or not a Business Day).

Additional provisions of this Note are set forth on the other side of this Note.

PROTALIX BIOTHERAPEUTICS, INC.

By: ____________________________
Name:
Title:
Dated:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

The Bank of New York Mellon Trust Company, N.A., as Trustee, certifies that this is one of the Notes referred to in the within-mentioned Indenture.

The Bank of New York Mellon Trust
Company, N.A.

By: ____________________________________

Authorized Signatory
Dated:

[REVERSE OF NOTE]

Protalix BioTherapeutics, Inc.
7.50% Senior Secured Convertible Notes due 2021

This Note is one of a duly authorized issue of notes of Protalix BioTherapeutics, Inc. (the "**Company**"), designated as its 7.50% Senior Secured Convertible Notes due 2021 (the "**Notes**"), all issued or to be issued under and pursuant to an indenture dated as of the Issue Date (the "**Indenture**"), among the Company, the guarantors party thereto (the "**Guarantors**"), The Bank of New York Mellon Trust Company, N.A., as trustee (the "**Trustee**") registrar, paying agent and conversion agent and Wilmington Savings Fund Society, FSB, as collateral agent (the "Collateral Agent"), to which Indenture and all indentures supplemental thereto reference is hereby made for a description of the rights, limitations of rights, obligations, duties and immunities thereunder of the Trustee, the Registrar, the Paying Agent, the Conversion Agent, the Collateral Agent, the Company, the Guarantors and the Holders. Capitalized terms used herein and not defined herein have the meanings ascribed to them in the Indenture, and the terms of the Notes include those stated in the Indenture and those incorporated into the Indenture. Notwithstanding anything herein to the contrary, to the extent that any provision of this Note conflicts with the express provisions of the Indenture, the provisions of the Indenture will govern and control. The Notes and the related Note Guarantees and the obligations of the Company and the Guarantors are secured obligations of the Company and the relevant Guarantors. The Notes, the related Note Guarantees and the obligations of the Company and the Guarantors are secured by the Collateral pursuant to the Security Documents referred to in the Indenture.

1. Interest. This Note will bear interest at a rate equal to 7.50% per annum. Interest on this Note will accrue from the most recent date to which interest has been paid or provided for, or, if no interest has been paid or provided for, December 7, 2016. Interest will be payable semiannually in arrears on May 15 and November 15 of each year, beginning on May 15, 2017. Each payment of cash interest on this Note will include interest accrued for the period commencing on and including the immediately preceding Interest Payment Date (or, if none, December 7, 2016) through, and including, the day before the applicable Interest Payment Date.

Pursuant to Section 2.04(a)(iii) of the Indenture, the Company may elect to pay a portion of the interest on this Note in shares of Common Stock.

Pursuant to Section 4.03(d) and Section 4.04 of the Indenture, in certain circumstances, the Company will pay Special Interest and Additional Interest, respectively, on this Note.

Pursuant to Section 2.03 of the Indenture, in certain circumstances, the Company will pay Default Interest on Defaulted Amounts with respect to this Note.

2. Method of Payment. The Company will promptly make all payments on this Note on the dates and in the manner provided herein and in the Indenture. Cash payments on Notes represented by a Global Note (including principal and interest) will be made by wire transfer of immediately available funds to the accounts specified by the Depositary. Payments in the form of shares of Common Stock will be made in accordance with Section 2.04(a)(iii) of the Indenture. The Company will pay principal of, and any Fundamental Change Repurchase Price or Redemption Price for, Definitive Notes at the office or agency designated by the Company for such purpose. Interest on Definitive Notes will be made as described in Section 2.03, except that any payment of interest due on the Maturity Date will be made at the office or agency designated by the Company for such purpose. All cash payments on this Note will be made in money of the United States that at the time of payment is legal tender for payment of public and private debts.

3. Paying Agent, Conversion Agent and Registrar. Initially, The Bank of New York Mellon Trust Company, N.A. will act as the Trustee, Paying Agent, Conversion Agent and Registrar. The Company may appoint and change any Paying Agent, Conversion Agent or Registrar, *provided* that the Company will maintain at least one Paying Agent, Conversion Agent and Registrar in the continental United States. The Company or any of its Subsidiaries or any of their Affiliates may act as Paying Agent, Conversion Agent or Registrar.

4. Repurchase By the Company at the Option of the Holder. At the option of the Holder, and subject to the terms and conditions of the Indenture, upon the occurrence of a Fundamental Change, each Holder will have the right, at its option, to require the Company to repurchase for cash all of its Notes, or any portion of its Notes having a principal amount equal to $1,000 or an integral multiple of $1,000 in excess thereof, at a Fundamental Change Repurchase Price equal to 100% of the principal amount of Notes to be purchased plus accrued and unpaid interest, if any, to but excluding, the Fundamental Change Repurchase Date, unless the Fundamental Change Repurchase Date falls after a Regular Record Date but on or prior to the Interest Payment Date to which such Regular Record Date relates, in which case the Company will instead pay the full amount of accrued and unpaid interest to Holders of record as of such Regular Record Date, and the Fundamental Change Repurchase Price shall be equal to 100% of the principal amount of Notes to be repurchased pursuant to Article 3 of the Indenture. To exercise its purchase right, a Holder must comply with the procedures set forth in Article 3 of the Indenture.

5. Redemption at the Option of the Company. From time to time prior to the Maturity Date, the Company may redeem, in cash at the applicable Redemption Price, (a) any or all of the Notes if the Last Reported Sale Price of the Common Stock for at least 20 Trading Days (whether or not consecutive) during the period of 30 consecutive Trading Days ending on, and including, the Trading Day immediately preceding the Redemption Notice Date exceeds 150% of the applicable Conversion Price on each applicable Trading Day or (b) all (and not less than all) of the Notes then outstanding if, at any time after the Issue Date, the aggregate principal amount of Notes then outstanding is less than 15% of the aggregate principal amount of Notes issued on the Issue Date. Any Redemption Notice must be given to the Holders of the Notes not less than 25 nor more than 30 Scheduled Trading Days prior to the applicable Redemption Date. The Company may not designate a Redemption Date that falls during or within three Business Days after the end of a Make-Whole Adjustment Period. The Redemption Price that the Company will pay for any Notes is set forth in the Indenture.

6. Conversion. Subject to, and upon compliance with, the provisions of Article 10 of the Indenture, a Holder may, at its option, convert all of its Notes, or any portion of its Notes having a principal amount equal to $1,000 or an integral multiple of $1,000 in excess thereof, into cash, Common Stock, or a combination thereof, at the election of the Company, as provided in Article 10 of the Indenture, based on the Conversion Rate. Notes may not be converted after the Close of Business on the Business Day immediately preceding the Maturity Date (or, for any Notes called for redemption by the Company upon exercise of its Optional Redemption right, after the Close of Business on the second Business Day immediately preceding the applicable Redemption Date). Section 10.13 of the Indenture imposes a limitation on the number of shares of Common Stock that may be received by a beneficial owner upon conversion of the Notes.

7. Ranking and Collateral. The Notes and the Note Guarantees are general senior secured obligations of the Company and the Guarantors, respectively, and are *pari passu* in right of payment with all existing and future Indebtedness of the Company and the Guarantors that is not, by its terms, expressly subordinated in right of payment to the Notes or Note Guarantees. The security interests securing the Notes and the Note Guarantees will be, other than as set forth in the Indenture and the Security Documents, first in priority to any and all security interests.

8. Denominations; Transfer; Exchange. The Notes are in fully registered form, without coupons, in minimum denominations of $1,000 of principal amount and in integral multiples of $1,000 in excess thereof. A Holder may transfer or exchange Notes in accordance with the Indenture. The Registrar may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Indenture. The Registrar need not transfer or exchange any Notes (i) in respect of which a Fundamental Change Repurchase Notice has been given and not withdrawn (except, in the case of a Note to be repurchased in part, the portion of the Note not to be repurchased), (ii) after the Company has delivered a Notice of Redemption (except to the extent that Notes are converted or the Company fails to pay the Redemption Price in accordance with Article 11 of the Indenture) or (iii) in respect of which a Conversion Notice has been given (except, in the case of a Note to be converted in part, the portion of the Note not to be converted).

9. Amendment, Supplement and Waiver. Subject to certain exceptions, the Indenture permits the Indenture, the Notes, the Note Guarantees and any Security Documents to be amended or supplemented with the written consent of the Holders of at least a majority in aggregate principal amount of the then outstanding Notes. In certain circumstances, the Company and the Trustee may also amend or supplement the Indenture, the Notes, the Note Guarantees or any Security Documents without the consent of any Holder. Subject to certain exceptions, the Indenture permits the waiver of certain Events of Default or the noncompliance with certain provisions of the Indenture, the Notes, the Note Guarantees and any Security Documents with the written consent of the Holders of at least a majority in aggregate principal amount of the then outstanding Notes.

In addition, (x) any amendment to, or waiver of, the provisions of the Indenture, the Notes, the Note Guarantees or any Security Document that has the effect of releasing all or substantially all of the Collateral from the Note Liens or (y) any changes in the provisions of the Indenture or any material change in the provisions in the Security Documents, in each case dealing with the application of proceeds of Collateral upon exercise of remedies with respect to such Collateral that adversely affects the Holders, shall require the consent of the Holders of at least 66 and 2/3% in aggregate principal amount of the Notes then outstanding under the Indenture (including any consents obtained in connection with a tender offer or exchange for the Notes).

10. Defaults and Remedies. Subject to the immediately following paragraph, if an Event of Default specified in the Indenture occurs and is continuing, the Trustee, by delivering a written notice to the Company, or the Holders of at least 25% in aggregate principal amount of the Notes then outstanding, by delivering a written notice to the Company and the Trustee, may declare all the Notes to be due and payable immediately by delivering notice to the Company. In addition, certain specified Events of Default will cause the Notes to become immediately due and payable without the Trustee or Holders taking any action.

Holders may not enforce the Indenture, the Notes, the Note Guarantees and any Security Documents except as provided in the Indenture. The Trustee and the Collateral Agent may each refuse to enforce the Indenture, the Notes, the Note Guarantees and any Security Documents unless it receives indemnity or security satisfactory to it. Holders of a majority of the principal amount of the then outstanding Notes may direct the Trustee and the Collateral Agent in its exercise of any trust or power, subject to certain limitations set forth in the Indenture. Subject to certain exceptions, the Trustee may withhold from Holders notice of any continuing Event of Default or Default if it determines that withholding notice is in their interest.

11. Persons Deemed Owners. The Holder of this Note will be treated as the owner of this Note for all purposes.

12. Unclaimed Money or Notes. The Trustee and the Paying Agent will return to the Company upon written request any money or securities held by them for the payment of any amount with respect to the Notes that remain unclaimed for two years, subject to applicable unclaimed property law. After return to the Company, Holders entitled to the money or securities must look to the Company for payment as general creditors, unless an applicable abandoned property law designates another Person.

13. Trustee Dealings with the Company. The Trustee, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with and collect obligations owed to it by the Company or its Affiliates and may otherwise deal with the Company or its Affiliates with the same rights it would have if it were not the Trustee.

14. Calculations in Respect of Notes. Except as otherwise provided in the Indenture, the Company will be responsible for making all calculations called for under the Notes and the Indenture. These calculations include, but are not limited to, determinations of the Last Reported Sale Price of the Common Stock or any other security, the amount and type of consideration due upon the conversion of any Note, accrued interest payable on the Notes and the Conversion Rate in effect on any Conversion Date.

The Company will make all these calculations in good faith and, absent manifest error, its calculations will be final and binding on all Holders.

15. No Recourse Against Others. A director, officer, employee or stockholder, as such, of the Company or any Guarantor will not have any liability for any obligations of the Company or the Guarantors under the Notes or the Indenture or for any claim based on, in respect of or by reason of such obligations or their creation. By accepting a Note, each Holder waives and releases all such liability. The waiver and release are part of the consideration for the issuance of the Notes

16. Authentication. This Note will not be valid until an authorized signatory of the Trustee manually signs the Trustee's certificate of authentication on the other side of this Note.

17. Abbreviations. Customary abbreviations may be used in the name of a Holder or an assignee, such as TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= custodian), and U/G/M/A (= Uniform Gift to Minors Act).

18. GOVERNING LAW. THE INDENTURE, THE NOTES AND THE NOTE GUARANTEES WILL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

19. CUSIP and ISIN Numbers. Pursuant to a recommendation promulgated by the Committee on Uniform Note Identification Procedures and the International Securities Identification Numbers Organisation, the Company has caused CUSIP and ISIN numbers to be printed on the Notes, and the Trustee may use CUSIP and ISIN numbers in any notices as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice, and reliance may be placed only on the other identification numbers placed thereon.

The Company will furnish to any Holder, upon written request and without charge, a copy of the Indenture which has in it the text of this Note. Requests may be made to:

Protalix BioTherapeutics, Inc.
2 Snunit Street, Science Park
POB 455
Carmiel 20100, Israel
Attention: Yossi Maimon

CONVERSION NOTICE

PROTALIX BIOTHERAPEUTICS, INC.
7.50% SENIOR SECURED CONVERTIBLE NOTES DUE 2021

To convert this Note, check the box ☐

To convert the entire principal amount of this Note, check the box ☐

To convert only a portion of the principal amount of this Note, check the box ☐ and here specify the principal amount to be converted, which principal amount must equal $1,000 or an integral multiple of $1,000 in excess thereof:

$ ____

Signature Guaranteed

____

Participant in a Recognized Signature
Guarantee Medallion Program

By: ____
Authorized Signatory

OPTION OF HOLDER TO ELECT PURCHASE

The Bank of New York Mellon Trust Company, N.A.
10161 Centurion Parkway North, 2nd Floor, Jacksonville, Florida 32256
Attention: Corporate Trust

The undersigned registered owner of this Note hereby acknowledges receipt of a notice from Protalix BioTherapeutics, Inc. (the "**Company**") as to the occurrence of a Fundamental Change with respect to the Company and specifying the Fundamental Change Repurchase Date and requests and instructs the Company to pay to the Holder hereof in accordance with the applicable provisions of the Indenture referred to in this Note (1) the entire principal amount of this Note, or the portion thereof (that is equal to $1,000 principal amount or an integral multiple of $1,000 in excess thereof) below designated, and (2) if such Fundamental Change Repurchase Date does not occur during the period after a Regular Record Date and on or prior to the corresponding Interest Payment Date, accrued and unpaid interest, if any, thereon to, but excluding, such Fundamental Change Repurchase Date.

Principal amount to be repaid (if less than all): $,000

CUSIP/ISIN: ______________________________

Signature Guaranteed

____
Participant in a Recognized Signature

Guarantee Medallion Program

By: ______________________
Authorized Signatory

SCHEDULE OF INCREASES AND DECREASES OF GLOBAL NOTE

Initial Principal Amount of Global Note: $40,186,000

Date	Amount of Increase in Principal Amount of Global Note	Amount of Decrease in Principal Amount of Global Note	Principal Amount of Global Note After Increase or Decrease	Notation by Custodian

Exhibit 10.1

FORM OF NOTE PURCHASE AGREEMENT

Protalix BioTherapeutics, Inc.
2 Snunit Street, Science Park, POB 455
Carmiel 20100, Israel

Ladies and Gentlemen:

This Note Purchase Agreement (this "Agreement") is made as of December 1, 2016, by and among Protalix BioTherapeutics, Inc., a corporation organized under the laws of the State of Delaware (the "Company"), and each purchaser identified on the signature pages hereof (each, including its successors and assigns, a "Purchaser" and collectively, the "Purchasers"). Each Purchaser hereby confirms its agreement with you as follows:

1. The Company and such Purchaser is executing and delivering this Note Purchase Agreement in reliance upon the exemption from securities registration afforded by Section 4(a)(2) of the Securities Act of 1933, as amended (the "Securities Act"). Such Purchaser is a "qualified institutional buyer" as defined in Rule 144A under the Securities Act.

2. Subject to the terms and conditions of this Note Purchase Agreement, the Indenture (as defined below), the Security Agreement, dated as of the Closing Date (as defined in Section 1.1 of ANNEX B hereto), among the Company, the guarantors party thereto and Wilmington Savings Fund Society, FSB, as Collateral Agent (the "Collateral Agent") (the "U.S. Security Agreement"), the Security Agreement/Debenture, dated as of the Closing Date, between Protalix Ltd. and Altshuler Shaham Trusts Ltd., as Security Trustee (the "Israeli Security Trustee") (the "IP Charge"), the Security Agreement/Debenture, dated as of the Closing Date, between Protalix Ltd. and the Israeli Security Trustee (the "Floating Charge"), the Security Agreement/Debenture, dated as of the Closing Date, between the Company and the Israeli Security Trustee (the "Israeli Stock Pledge") and together with the U.S. Security Agreement, the IP Charge and the Floating Charge, the "Security Agreements") and the Engagement Letter, dated as of November 3, 2016, between Jefferies LLC (the "Placement Agent") and the Company (such engagement letter, the "Engagement Letter" and, together with this Note Purchase Agreement, the Indenture, the Security Agreements and the Notes (as defined below), the "Transaction Agreements"), the Company has authorized the issuance and sale of up to $35 million aggregate principal amount of 7.50% Secured Convertible Notes (the "Notes"), to be issued pursuant to the Indenture to be dated as of the Closing Date, among the Company, The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), and Wilmington Savings Fund Society, FSB, as collateral agent thereunder (the "Indenture"). The Notes are convertible into cash, shares of common stock, par value $0.001 per share (the "Common Stock"), of the Company, or a combination thereof, at the Company's election. At the Closing (as defined in Section 1 of ANNEX B hereto), the Company will, subject to the terms of this Note Purchase Agreement (including the terms and conditions set forth in ANNEX B), issue and sell to such Purchaser and such Purchaser will buy from the Company, upon the terms and conditions hereinafter set forth, the principal amount of Notes shown on such Purchaser's signature page hereof.

3. The Notes purchased by such Purchaser will be delivered by electronic book entry through the facilities of The Depository Trust Company ("DTC") to an account specified by such Purchaser set forth below and will be released by the Trustee, at the written instruction of the Company, to such Purchaser at the Closing.

****Signature Page Follows****

IN WITNESS WHEREOF, the parties have caused this Note Purchase Agreement to be executed by their duly authorized representatives as of the day and year first above written.

PROTALIX BIOTHERAPEUTICS, INC.

By: ________________________
Name: ________________________
Title ________________________

[Signature Page to Note Purchase Agreement]

Print or Type:

Name of Purchaser
(*Individual or Institution*)

Jurisdiction of Purchaser's Executive Offices

Name of Individual representing Purchaser (*if an Institution*)

Title of Individual representing Purchaser (*if an Institution*)

$

Principal amount of Notes to Be Purchased

Number of shares of Common Stock beneficially owned by Purchaser on the date hereof [1]

Signature by:

Individual Purchaser or Individual representing Purchaser:

Address:
Telephone:
Facsimile:
Email:

*** Please note that if you are sub-allocating to multiple funds, you must execute a signature page for each fund. ***

1 Include all shares of Common Stock, and all securities convertible into Common Stock on an as-converted basis, held by the Purchaser and all of its affiliates.

[Signature Page to Note Purchase Agreement]

SUMMARY INSTRUCTION SHEET FOR PURCHASER

(To be read in conjunction with the entire Note Purchase Agreement.)

Each Purchaser must complete the following items in the Note Purchase Agreement:

1. Provide the information regarding such Purchaser requested on the signature page and Purchaser Questionnaire attached as Annex A to the Note Purchase Agreement (the "Purchaser Questionnaire"). The Note Purchase Agreement must be executed by an individual authorized to bind such Purchaser.

2. On or prior to 5:00 p.m., New York City time, on December 1, 2016, return an executed original Note Purchase Agreement or a facsimile transmission (or other electronic transmission) thereof and the completed and executed Purchaser Questionnaire to:

   Tim O'Connor
   tim.oconnor@jefferies.com
   Jefferies LLC
   520 Madison Avenue, 2nd Floor
   New York, New York 10022

3. On or prior to 5:00 p.m., New York City time, on the business day immediately preceding the Closing Date (as defined in the Note Purchase Agreement), such Purchaser shall transfer the amount indicated below such Purchaser's name on the applicable signature page to the Note Purchase Agreement above the title "Principal Amount of Notes to be Purchased," in United States dollars and in immediately available funds, by wire transfer to the account of Jefferies, as the Company's closing agent (in such capacity, the "Closing Agent"). No payments will be accepted on a delivery-versus-payment, or "DVP," basis.

4. On or prior to 10:00 a.m., New York City time, on the Closing Date, such Purchaser must instruct its custodian(s) to post a DWAC request for free receipt to The Bank of New York Mellon for such Purchaser's aggregate principal amount [1] of Notes (CUSIP/ISIN # 74365AAC5 / US74365AAC53). It is important that this request be submitted on the Closing Date. If the request is submitted before the Closing Date, it will expire and need to be resubmitted on the Closing Date.

5. Following the confirmation by the Closing Agent that the conditions set forth in the Note Purchase Agreement, other than with respect to the issuance of and delivery of the Notes, have been satisfied or waived, (i) the Closing Agent shall disburse on the Closing Date funds received by the Closing Agent on behalf of the Company (net of the agreed amount of fees and expenses of the Placement Agent) by wire transfer of immediately available funds to an account specified by the Company in accordance with the Company's written wire instructions (which shall be provided to the Closing Agent by the Company at least one business day prior to the Closing Date) and (ii) the principal amount of Notes to be purchased by such Purchaser (as specified on such Purchaser's signature page hereof) to be issued and delivered by electronic book entry through the facilities of DTC to the account specified by such Purchaser in its Purchaser Questionnaire will be released by the Trustee, at the written instruction of the Company, to such Purchaser upon receipt of Purchaser's DWAC deposit request.

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[1] Note that the DWAC instruction should specify the **principal amount**, and not the number, of Notes.

6. **Please note that all wire transfers must be sent to the following account, and the name of the purchasing entity must be included in the wire:**

Wire Information

ABA Routing Number:	021000018
Bank Name:	Bank of New York
Account Name:	Jefferies LLC
Account Number:	8900652772
Re:	[Purchaser's Account or Sub-Account Name]

The Closing Agent will notify each Purchaser once the transaction has closed. Each Purchaser must instruct its custodian(s) to post a DWAC deposit in order to receive Notes on the Closing Date.

7. **If you have any questions, please contact Tim O'Connor of Jefferies at 212-284-8137.**

ANNEX A

PROTALIX BIOTHERAPEUTICS, INC.

PURCHASER QUESTIONNAIRE

Pursuant to Section 1.4 of ANNEX B of the Note Purchase Agreement, please provide us with the following information:

Legal Name of Purchaser (i.e., Fund Name): ____________________
Address of Purchaser: ____________________
____

Attention: ____________________
____

Telephone Number: ____________________
Fax Number: ____________________

NOMINEE/CUSTODIAN (Name in which the Notes and, if applicable, Common Stock issued upon conversion of the Notes are to be registered if different than name of Purchaser):

____

DTC Number: ____________________

Tax I.D. Number or Social Security Number: ____________________
(If acquired in the name of a nominee/custodian, the taxpayer I.D. number of such nominee/custodian)

Person to Receive Copies of Transaction Documents:
- **Name:** ____________________
- **Telephone Number:** ____________________
- **Email:** ____________________

Operations Contacts:
- **Primary:** ____________________
- **Telephone Number:** ____________________
- **Email:** ____________________

- **Secondary:** ____________________
- **Telephone Number:** ____________________
- **Email:** ____________________

Each Purchaser must be a "qualified institutional buyer" as defined in Rule 144A under the Securities Act.

*** Please note that if you are sub-allocating to multiple funds, you must complete one of these forms for each fund.

ANNEX B

NOTE PURCHASE AGREEMENT

TERMS AND CONDITIONS

Capitalized terms used in this Annex B to the Note Purchase Agreement without definition have the respective meanings ascribed to them in the Note Purchase Agreement.

The Company agrees, and each Purchaser, severally and not jointly, agrees, as follows:

1. Delivery of the Notes at the Closing; Termination.

1.1 Closing. The closing of the purchase and sale of the Notes (the "Closing") shall occur at the offices of Latham & Watkins LLP, 885 Third Avenue, New York, NY 10022, on the third business day following the execution of the Note Purchase Agreement or on such later date or at such different location as the parties shall agree in writing but not prior to the date that the conditions for Closing set forth below have been satisfied or waived by the appropriate party (the date of such Closing being referred to herein as the "Closing Date").

1.2 Closing Deliveries. Subject to Section 1.3 below, (a) on or prior to the Closing Date, such Purchaser shall pay, in immediately available funds, the full amount of the purchase price for the Notes being purchased hereunder by wire transfer to the account specified by Jefferies, as closing agent (in such capacity, the "Closing Agent") and (b) on the Closing Date, such Purchaser shall instruct its custodian(s) to post a DWAC request for free receipt to The Bank of New York Mellon for such Purchaser's aggregate principal amount of Notes (CUSIP/ISIN # 74365AAC5 / US74365AAC53), which shall be made through the facilities of DTC. The name(s) in which the book-entry Notes are to be registered are set forth in such Purchaser's Purchaser Questionnaire attached as ANNEX A to the Note Purchase Agreement.

1.3 Closing Mechanics.

(a) On or prior to 5:00 p.m., New York City time, on the business day immediately preceding the Closing Date, such Purchaser will pay the full amount of the purchase price for the Notes being purchased hereunder to the Closing Agent as required by Section 1.2 above. In the event that such Purchaser shall fail to deliver all or any portion of the purchase price for the Notes being purchased on or before 5:00 p.m., New York City time, on the business day immediately preceding the Closing Date, the Closing Agent will be permitted (but will not be obligated), in its sole discretion, to fund the purchase price for the Notes being purchased on behalf of such Purchaser; *provided*, *however*, that the funding of the purchase of any Notes by the Closing Agent pursuant to this Section 1.3(a) will not relieve such Purchaser of any liability that it may have to the Company or the Closing Agent pursuant to the Note Purchase Agreement or for the breach of its obligations under the Note Purchase Agreement. In any such case in which the Closing Agent, in its sole discretion, has elected to fund the purchase price for the Notes being purchased on behalf of such Purchaser, the Closing Agent may direct the delivery and release of the Notes to the Closing Agent's account pending payment by such Purchaser, and if such Purchaser has not fulfilled its obligation to purchase the Notes as set forth herein within two business days of the Closing Date, the Closing Agent will thereafter be entitled to direct disposition of the Notes in such manner as it deems appropriate (including the purchase thereof for its own account).

(b) In the event that the Closing Agent shall have funded the purchase of the Notes on behalf of such Purchaser under the circumstances set forth in clause 1.3(a) above, such Purchaser shall be obligated to repay the Closing Agent in exchange for the release of the Notes to such Purchaser at a purchase price for the Notes equal to 100% of the purchase price for the Notes being purchased by such Purchaser plus accrued interest from the Closing Date; *provided*, *however*, that if the Closing Agent has funded such purchase on behalf of such Purchaser, and such Purchaser subsequently makes payment to the Closing Agent before 9:00 a.m., New York City time, on the Closing Date, the purchase price shall equal the purchase price for such Notes plus an amount equal to the Closing Agent's cost of intraday funds for such purchase.

(c) The receipt of funds by the Closing Agent from such Purchaser shall be deemed to be irrevocable instructions from such Purchaser to the Closing Agent that the conditions to the Closing have been satisfied.

(d) Funds received by the Closing Agent on behalf of the Company pursuant to this Section 1 (or funded by the Closing Agent in its sole discretion pursuant to Section 1.3(a) above) will be held in trust and not as property or in the title of the Closing Agent. On the Closing Date, or as soon as reasonably practicable thereafter, the Closing Agent will disburse such funds (net of the agreed amount of fees and expenses of the Placement Agent set forth in the Engagement Letter) by wire transfer of immediately available funds in accordance with the Company's written wire instructions (which shall be provided to the Closing Agent at least one business day prior to the Closing Date), unless otherwise agreed to by the Company and the Closing Agent.

(e) Immediately following the Company's receipt of such funds, the Notes purchased by such Purchaser (as specified on the signature page hereof) will be issued by the Company and delivered pursuant to Section 1.2 above.

1.4 Conditions to the Company's Obligations. The Company's obligation to complete the purchase and sale of the Notes and deliver such Notes by book entry to such Purchaser at the Closing shall be subject to the following conditions, any one or more of which may be waived by the Company:

(a) receipt by the Company of same-day funds in the full principal amount of the Notes being purchased hereunder;

(b) completion of the purchases of the Notes under the Note Purchase Agreement by the other Purchasers;

(c) completion of the exchange and other transactions contemplated under the exchange agreement, dated December 1, 2016, by and among the Company and the parties identified therein (the "Exchange Agreement");

(d) the accuracy of the representations and warranties made by such Purchaser and the other Purchasers in the Note Purchase Agreement; and

(e) receipt by the Company from such Purchaser of the fully completed Purchaser Questionnaire (which is set forth in ANNEX A to the Note Purchase Agreement).

1.5 Conditions to the Purchasers' Obligations. Such Purchaser's obligation to pay for the Notes to be purchased by it shall be subject to the following conditions, any one or more of which may be waived by such Purchaser:

(a) receipt by the Closing Agent on behalf of such Purchaser of the Note Purchase Agreement, executed and delivered by a responsible officer of the Company;

(b) receipt by the Closing Agent on behalf of such Purchaser of fully executed copies of the Indenture and the Notes;

(c) receipt by the Closing Agent on behalf of such Purchaser of the Security Agreements, executed and delivered by a responsible officer of the Company and each other party thereto;

(d) the delivery to the Closing Agent on behalf of such Purchaser by U.S. counsel to the Company of a legal opinion substantially similar in substance to the form of opinion attached as ANNEX C-1 to the Note Purchase Agreement;

(e) the delivery to the Closing Agent on behalf of such Purchaser by Israeli counsel to the Company of a legal opinion substantially similar in substance to the form of opinion attached as ANNEX C-2 to the Note Purchase Agreement;

(f) receipt by the Closing Agent on behalf of such Purchaser of a certificate executed by the chief executive officer and the chief financial officer of the Company, dated as of the Closing Date, in substantially the form of certificate attached as ANNEX D to the Note Purchase Agreement;

(g) receipt by the Closing Agent on behalf of such Purchaser of a certificate of the Secretary of the Company, dated as of the Closing Date, in substantially the form of certificate attached as ANNEX E to the Note Purchase Agreement:

(i) certifying the resolutions adopted by the Board of Directors of the Company approving the transactions contemplated by the Transaction Agreements and the sale of the Notes and the reservation and issuance of the shares of Common Stock potentially issuable upon the conversion of the Notes;

(ii) certifying the current versions of the Certificate of Incorporation and the Bylaws of the Company; and

(iii) certifying as to the signatures and authority of the persons signing the Note Purchase Agreement and related documents on behalf of the Company;

(h) receipt by the Closing Agent on behalf of the Purchaser of a certificate of good standing for the Company for its jurisdiction of incorporation;

(i) on or prior to the Closing Date, the Company shall have received the approval of the Israeli National Authority for Technological Innovation (formerly known as the Office of the Chief Scientist of the Israeli Ministry of the Economy) (the "Israeli Innovation Authority") in connection with the grant of a security interest in certain of the Security Assets (as defined in the IP Charge and the Floating Charge) and the Trustee shall have executed and delivered the undertakings on behalf of each Purchaser towards the Israeli Innovation Authority, in the form requested by the Israeli Innovation Authority;

(j) the Common Stock shall continue to be listed on the New York Stock Exchange Market ("NYSE MKT") as of the Closing Date; there shall have been no suspensions in the trading of the Common Stock as of the Closing Date; and the listing of additional shares notification form with respect to the maximum number of shares of Common Stock that may be issued upon conversion of the Notes (including the maximum number of Additional Shares (as defined in the Indenture) that may be added to the Conversion Rate (as defined in the Indenture)), assuming the Company elected to settle all conversions solely in shares of Common Stock, shall have been submitted to NYSE MKT and NYSE MKT shall have confirmed that it has no objection to such notification;

(k) no injunction, restraining order, action or order of any nature by a governmental or regulatory authority shall have been issued, taken or made or no action shall have been taken and no statute, rule, regulation or order shall have been enacted, adopted or issued by any federal, state or foreign governmental or regulatory authority of competent jurisdiction that would, prior to or as of the Closing Date, prevent or materially interfere with the consummation of the transactions contemplated by the Note Purchase Agreement; and

(l) prior to the Closing, there shall not have occurred a material adverse effect or any development involving a prospective material adverse effect in the general affairs, business, properties, management, financial condition or results of operations of the Company from that set forth in the Disclosure Package and the Final Memorandum.

2. Representations, Warranties and Covenants of the Company. The Company hereby represents and warrants to, and covenants with, such Purchaser, the Placement Agent and the Closing Agent as follows:

2.1 The Preliminary Private Placement Memorandum, dated November 10, 2016, as amended by the Amended and Restated Preliminary Private Placement Memorandum, dated November 29, 2016, including any and all exhibits thereto and any information incorporated by reference therein (the "Preliminary Memorandum"), as of the date thereof, did not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. As of its date and the Closing Date, the final private placement memorandum (as then amended or supplemented including any and all exhibits thereto and any information incorporated by reference therein, the "Final Memorandum"), did not and will not (and any amendment or supplement thereto, at the date thereof and at the Closing Date, will not) contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided*, *however*, that the Company makes no representation or warranty as to the information concerning the Placement Agent contained in or omitted from the Preliminary Memorandum or the Final Memorandum, or any amendment or supplement thereto, in reliance upon and in conformity with information furnished in writing to the Company by or on behalf of the Placement Agent specifically for inclusion therein.

2.2 The Preliminary Memorandum and the final term sheet related to the Notes distributed in connection with pricing the offering of the Notes (together with the Preliminary Memorandum, the "Disclosure Package"), at 4:00 P.M., New York City time, as of the date hereof (the "Execution Time"), does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The preceding sentence does not apply to statements in or omissions from the Disclosure Package based upon and in conformity with written information concerning the Placement Agent furnished to the Company by the Placement Agent specifically for use therein.

2.3 None of the Company, its affiliates (within the meaning of Rule 144 under the Securities Act) or any person acting on its or their behalf has directly or indirectly made offers or sales of any security, or solicited offers to buy any security, under circumstances that would require the registration of the offer and sale of the Notes or the Common Stock potentially issuable upon conversion thereof under the Securities Act.

2.4 None of the Company, its Affiliates or any person acting on its or their behalf has: (a) engaged in any form of general solicitation or general advertising in connection with any offer or sale of the Notes or (b) engaged in any directed selling efforts (within the meaning of Regulation S under the Securities Act) with respect to the Notes or the Common Stock potentially issuable upon conversion thereof.

2.5 The Notes satisfy the eligibility requirements of Rule 144A(d)(3) under the Securities Act.

2.6 No registration under the Securities Act of the offer and sale of the Notes or the Common Stock potentially issuable upon conversion thereof is required for, and no qualification of the Indenture under the Trust Indenture Act of 1939, as amended, and the rules and regulations of the United States Securities and Exchange Commission (the "Commission") promulgated thereunder is required in connection with, the offer and sale of the Notes to the Purchasers in the manner contemplated herein, the Disclosure Package and the Final Memorandum.

2.7 The Company is not, and after giving effect to the offering and sale of the Notes and the application of the proceeds thereof as described in the Disclosure Package and the Final Memorandum will not be, an "investment company" as defined in the U.S. Investment Company Act of 1940, as amended, and the rules and regulations of the Commission promulgated thereunder.

2.8 The Company is subject to and in full compliance with the reporting requirements of Section 13 or Section 15(d) of the Securities Exchange Act of 1934, as amended, (the “Exchange Act”).

2.9 The Company has not paid or agreed to pay to any person any compensation for soliciting another to purchase any securities of the Company (except as contemplated in the Note Purchase Agreement and the Engagement Letter).

2.10 The Company has not taken, directly or indirectly, any action designed to or that has constituted or that might reasonably be expected to cause or result, under the Exchange Act or otherwise, in stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Notes or the shares of Common Stock potentially issuable upon conversion of the Notes.

2.11 The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware, with full corporate power and authority to own or lease, as the case may be, and to operate its properties and conduct its business as described in the Disclosure Package and the Final Memorandum, and is duly qualified to do business as a foreign corporation and is in good standing under the laws of each jurisdiction that requires such qualification, except where the failure to be so qualified would not, individually or in the aggregate, have a material adverse effect on the condition (financial or otherwise), prospects, earnings, business or properties of the Company and its subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business (a “Material Adverse Effect”).

2.12 Each subsidiary of the Company has been duly incorporated and is validly existing under the laws of its state of incorporation or formation, is duly qualified to do business in each jurisdiction in which its ownership or lease of property or the conduct of its businesses requires such qualification and has all power and authority necessary to own or hold its properties and to conduct the businesses in which it is engaged, except where the failure to be so qualified, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect.

2.13 All the outstanding shares of capital stock of each subsidiary have been duly authorized and validly issued and are fully paid and nonassessable, and, except as otherwise set forth in the Disclosure Package and the Final Memorandum, all outstanding shares of capital stock of the subsidiaries are owned by the Company either directly or through wholly owned subsidiaries free and clear of any security interest, claim, lien or encumbrance.

2.14 The authorized, issued and outstanding capital stock of the Company is as set forth in each of the Disclosure Package and the Final Memorandum (other than for subsequent issuances, if any, pursuant to employee benefit plans described in each of the Disclosure Package and the Final Memorandum or upon the exercise of outstanding options or warrants described in each of the Disclosure Package and the Final Memorandum); the Common Stock conforms in all material respects to the description thereof contained in each of the Disclosure Package and the Final Memorandum; all of the issued and outstanding shares of Common Stock have been duly authorized and validly issued, are fully paid and nonassessable and have been issued in compliance with federal and state securities laws; none of the outstanding shares of Common Stock was issued in violation of any preemptive rights, rights of first refusal or other similar rights to subscribe for or purchase securities of the Company; there are no authorized or outstanding options, warrants, preemptive rights, rights of first refusal or other rights to purchase, or equity or debt securities convertible into or exchangeable or exercisable for, any capital stock of the Company or any of its subsidiaries other than those accurately described in each of the Disclosure Package and the Final Memorandum; the description of the Company's stock option, stock bonus and other stock plans or arrangements, and the options or other rights granted thereunder, set forth in each of the Disclosure Package and the Final Memorandum accurately and fairly presents the information required to be shown with respect to such plans, arrangements, options and rights; all grants of options to acquire shares of Common Stock (each, a "Company Stock Option") were validly issued and approved by the Board of Directors of the Company, a committee thereof or an individual with authority duly delegated by the Board of Directors of the Company or a committee thereof; grants of Company Stock Options were (a) made in material compliance with all applicable laws and (b) as a whole, made in material compliance with the terms of the plans under which such Company Stock Options were issued; there is no and has been no policy or practice of the Company to coordinate the grant of Company Stock Options with the release or other public announcement of material information regarding the Company or its results of operations or prospects; the maximum number of shares of Common Stock initially issuable upon conversion of the Notes (including the maximum number of Additional Shares (as defined in the Indenture) that may be added to the Conversion Rate (as defined in the Indenture), assuming Capped Combination Settlement (as defined in the Indenture) and assuming that the NYSE MKT Shareholder Approval (as defined in the Indenture) has been obtained, with the number of shares of Common Stock included in each Daily Settlement Amount (as defined in the Indenture) equal to the Daily Share Cap (as defined in the Indenture)), have been duly authorized and, when issued upon conversion of the Notes in accordance with the Indenture, will be validly issued, fully paid and nonassessable; the Board of Directors of the Company has duly and validly adopted resolutions reserving such shares of Common Stock for issuance upon conversion of the Notes; the holders of outstanding shares of capital stock of the Company are not entitled to preemptive or other rights to subscribe for the Notes or the shares of Common Stock potentially issuable upon conversion thereof; and, except as described in each of the Disclosure Package and the Final Memorandum, the Company has not sold or issued any shares of Common Stock during the six-month period preceding the date of the Final Memorandum, including any sales pursuant to Rule 144A under, or Regulations D or S of, the Securities Act other than shares issued pursuant to employee benefit plans, qualified stock options plans or other employee compensation plans or pursuant to outstanding options, rights or warrants.

2.15 Protalix Ltd. is authorized to pledge to Altshuler Shaham Trust Ltd., as security trustee, for the benefit of the Trustee (on behalf of the Purchasers), a security interest in all (or a portion) of its assets, subject to the approval of the Israeli National Authority for Technological Innovation and in accordance with the provisions of the Israeli Encouragement of Research, Development and Technological Innovation in Industry Law, 5744-1984 (the "Research Law").

2.16 Other than as stipulated in Section 2.15 and as may be required under the blue sky laws of any jurisdiction in which the Notes are offered and sold, no consent, approval, authorization, filing with or order of any court or governmental agency or body is required in connection with the transactions contemplated by the Transaction Agreements. No shareholder approval is required under the rules of The NYSE MKT in connection with the initial sale of the Notes.

2.17 The statements in or incorporated by reference in the Preliminary Memorandum and the Final Memorandum under the headings "U.S. Federal Income Tax Consequences," "Business—Intellectual Property," "Business—International Regulation," "Business—Israeli Government Programs," "Risk Factors—Risks Related to Intellectual Property Matters—If we fail to adequately protect or enforce our intellectual property rights or secure rights to third-party patents, the value of our intellectual property rights would diminish and our business, competitive position and results of operations would suffer," "Risk Factors—Risks Related to Intellectual Property Matters—If we cannot meet requirements under our license agreements, we could lose the rights to our products, which could have a material adverse effect on our business" and "Risk Factors—Risks Relating to Our Operations in Israel," insofar as such statements summarize legal matters, agreements, documents or proceedings discussed therein, are accurate and fair summaries in all material respects of such legal matters, agreements, documents or proceedings.

2.18 The Note Purchase Agreement has been duly authorized, executed and delivered by the Company; the Security Agreements have been duly authorized, executed and delivered by the Company or Protalix Ltd., as applicable; the Indenture has been duly authorized and, assuming due authorization, execution and delivery thereof by the Trustee and the Collateral Agent, when executed and delivered by the Company and the guarantors party thereto, will constitute a legal, valid, binding instrument enforceable against the Company in accordance with its terms (subject, as to the enforcement of remedies, to applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting creditors' rights generally from time to time in effect and to general principles of equity); and the Notes have been duly authorized and, when executed and authenticated in accordance with the provisions of the Indenture and delivered to and paid for by the Purchasers, will have been duly executed and delivered by the Company and will constitute the legal, valid and binding obligations of the Company entitled to the benefits of the Indenture (subject, as to the enforcement of remedies, to applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting creditors' rights generally from time to time in effect and to general principles of equity) and will be convertible into Common Stock in accordance with their terms.

2.19 None of the execution and delivery of the Transaction Agreements, the issuance and sale of the Notes or the issuance of the Common Stock upon conversion thereof, the consummation of any other of the transactions herein or therein contemplated, or the fulfillment of the terms hereof or thereof, will conflict with, result in a breach or violation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any of its subsidiaries pursuant to, (a) the charter or by-laws or comparable constituting documents of the Company or any of its subsidiaries; (b) the terms of any indenture, contract, lease, mortgage, deed of trust, note agreement, loan agreement or other agreement, obligation, condition, covenant or instrument to which the Company or any of its subsidiaries is a party or bound or to which its or their property is subject; or (c) any statute, law, rule, regulation, judgment, order or decree of any court, regulatory body, administrative agency, governmental body, arbitrator or other authority having jurisdiction over the Company or any of its subsidiaries or any of its or their properties, except, in the cases of clauses (b) and (c), as would not, singly or in the aggregate, have a Material Adverse Effect.

2.20 The consolidated historical financial statements and schedules of the Company and its consolidated subsidiaries included or incorporated by reference in the Disclosure Package and the Final Memorandum present fairly the financial condition, results of operations and cash flows of the Company as of the dates and for the periods indicated and comply as to form with the applicable accounting requirements of Regulation S-X under the Securities Act; and have been prepared in conformity with generally accepted accounting principles in the United States applied on a consistent basis throughout the periods involved (except as otherwise noted therein).

2.21 No action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries or its or their property is pending or, to the knowledge of the Company, threatened that (a) could, individually or in the aggregate, reasonably be expected to have a material adverse effect on the performance of the Transaction Agreements or the consummation of any of the transactions contemplated hereby or thereby or (b) could, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, except as set forth in or contemplated in the Disclosure Package and the Final Memorandum.

2.22 Each of the Company and its subsidiaries owns or leases all such properties as are reasonably necessary to the conduct of its operations as presently conducted.

2.23 Neither the Company nor any of its subsidiaries is in violation or default of (a) any provision of its charter or bylaws or comparable constituting documents; (b) the terms of any indenture, contract, lease, mortgage, deed of trust, note agreement, loan agreement or other agreement, obligation, condition, covenant or instrument to which it is a party or bound or to which its property is subject; or (c) any statute, law, rule, regulation, judgment, order or decree applicable to the Company or any of its subsidiaries of any court, regulatory body, administrative agency, governmental body, arbitrator or other authority having jurisdiction over the Company or such subsidiary or any of its properties, as applicable, except, in the cases of clauses (b) and (c), as would not, singly or in the aggregate, have a Material Adverse Effect.

2.24 Kesselman & Kesselman, a member of PricewaterhouseCoopers International Limited, which has certified certain financial statements of the Company and its consolidated subsidiaries and delivered its report with respect to the audited consolidated financial statements and schedules included or incorporated by reference in the Disclosure Package and the Final Memorandum, is an independent registered public accounting firm with respect to the Company within the meaning of the Securities Act and the applicable published rules and regulations thereunder and under the rules of the Public Company Accounting Oversight Board.

2.25 There are no stamp or other issuance or transfer taxes or duties or other similar fees or charges required to be paid in connection with the execution and delivery of the Note Purchase Agreement or the issuance, sale or resale of the Notes or upon the issuance of Common Stock upon the conversion thereof.

2.26 The Company has filed all applicable tax returns that are required to be filed or has requested extensions thereof (except in any case in which the failure to so file would not have a Material Adverse Effect and except as set forth or contemplated in the Disclosure Package and the Final Memorandum) and has paid all taxes required to be paid by it and any other assessment, fine or penalty levied against it, to the extent that any of the foregoing is due and payable, except for any such assessment, fine or penalty that is currently being contested in good faith or as would not have a Material Adverse Effect and except as set forth in or contemplated in the Disclosure Package and the Final Memorandum.

2.27 No labor problem or dispute with the employees of the Company or any of its subsidiaries exists or is threatened or imminent, and the Company is not aware of any existing or imminent labor disturbance by the employees of any of its or its subsidiaries' principal suppliers, contractors or customers, except as would not have a Material Adverse Effect and except as set forth in or contemplated in the Disclosure Package and the Final Memorandum.

2.28 The Company and each of its subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the businesses in which they are engaged; all policies of insurance and fidelity or surety bonds insuring the Company or any of its subsidiaries or their respective businesses, assets, employees, officers and directors are in full force and effect; the Company and its subsidiaries are in compliance with the terms of such policies and instruments; there are no claims by the Company or any of its subsidiaries under any such policy or instrument as to which insurance company is denying liability or defending under a reservation of rights clause; neither the Company nor any of its subsidiaries has been refused any insurance coverage sought or applied for; and neither the Company nor any of its subsidiaries has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Material Adverse Effect except as set forth or contemplated in the Disclosure Package and the Final Memorandum.

2.29 No subsidiary of the Company is currently prohibited, directly or indirectly, from paying any dividends to the Company, from making any other distribution on such subsidiary's capital stock, from repaying to the Company any loans or advances to such subsidiary from the Company or from transferring any of such subsidiary's property or assets to the Company or any other subsidiary of the Company, except as described in or contemplated in the Disclosure Package and the Final Memorandum.

2.30 The Company and its subsidiaries possess and are in compliance in all material respects with the terms of all licenses, approvals, orders, certificates, permits and other authorizations (collectively, "Licenses") issued by all applicable authorities, including, without limitation, all such Licenses required by the U.S. Food and Drug Administration or any component thereof and/or by any other U.S. state, local or foreign government or drug regulatory agency (collectively, the "Regulatory Agencies") necessary to conduct their respective businesses as described in the Disclosure Package and the Final Memorandum, and neither the Company nor any such subsidiary has received any notice of proceedings relating to the revocation or modification of, or non-compliance with, any such License that, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would have a Material Adverse Effect, except as set forth or contemplated in the Disclosure Package and the Final Memorandum, and all such Licenses are in full force and effect.

2.31 The preclinical tests and clinical trials that are described in, or the results of which are referred to in, the Disclosure Package and the Final Memorandum were and, if still pending, are being conducted in all material respects in accordance with protocols filed with the appropriate Regulatory Agencies for each such test or trial, as the case may be, and with standard medical and scientific research procedures and all applicable statutes, directives, rules and regulations of the Regulatory Agencies, including, without limitation, the Federal Food, Drug and Cosmetic Act and the rules and regulations promulgated thereunder; each description of such tests and trials, and the results thereof, contained in the Disclosure Package and the Final Memorandum is accurate and complete in all material respects and fairly presents the data about and derived from such tests and trials, and the Company has no knowledge of any other studies or tests, the results of which are inconsistent with, or otherwise call into question, the results described or referred to in the Disclosure Package and the Final Memorandum; neither the Company nor its subsidiaries has received any notices or other correspondence from any Regulatory Agency requiring the termination, suspension or modification of any clinical trials that are described or referred to in the Disclosure Package and the Final Memorandum; and each of the Company and its subsidiaries has operated and currently is in compliance in all material respects with all applicable rules and regulations of the Regulatory Agencies.

2.32 The Company and each of its subsidiaries: (a) are and have been in material compliance with applicable health care laws, including, without limitation, the Federal Food, Drug and Cosmetic Act (21 U.S.C. § 301 et seq.), the Federal Anti-kickback Statute (42 U.S.C. § 1320a-7b(b)), Physician Payment Sunshine Act (42 U.S.C. § 1320a-7h), the civil False Claims Act (31 U.S.C. §§ 3729 et seq.), the administrative False Claims Law (42 U.S.C. § 1320a-7b(a)), the Anti-Inducement Law (42 U.S.C. § 1320a-7a(a)(5)), the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. § 1320d et seq.), as amended by the Health Information Technology for Economic and Clinical Health Act of 2009, the exclusion laws, Social Security Act § 1128 (42 U.S.C. § 1320a-7), Medicare (Title XVIII of the Social Security Act), Medicaid (Title XIX of the Social Security Act) and the regulations promulgated pursuant to such laws, and comparable state laws, and all other local, state, federal, national, supranational and foreign laws, manual provisions, policies and administrative guidance relating to the regulation of the Company and its subsidiaries (collectively, "Health Care Laws"); (b) have not received notice of any ongoing claim, action, suit, proceeding, hearing, enforcement, investigation, arbitration or other action from any Regulatory Agency or third party alleging that any product operation or activity is in material violation of any Health Care Laws and has no knowledge that any such Regulatory Agency or third party is considering any such claim, litigation, arbitration, action, suit, investigation or proceeding; and (c) are not a party to any corporate integrity agreement, deferred prosecution agreement, monitoring agreement, consent decree, settlement order or similar agreements or have any reporting obligations pursuant to any such agreement, plan or correction or other remedial measure entered into with any governmental authority. Neither the Company nor its subsidiaries or any of their officers, directors, employees, agents or contractors has been or is currently debarred, suspended or excluded from participation in the Medicare and Medicaid programs or any other state or federal health care program.

2.33 The Company and each of its subsidiaries maintain a system of internal accounting controls sufficient to provide reasonable assurance that (a) transactions are executed in accordance with management's general or specific authorizations; (b) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles in the United States and to maintain asset accountability; (c) access to assets is permitted only in accordance with management's general or specific authorization; and (d) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. The Company and its subsidiaries' internal controls over financial reporting are effective, and the Company and its subsidiaries are not aware of any material weakness in their internal control over financial reporting.

2.34 The Company and its subsidiaries maintain "disclosure controls and procedures" (as such term is defined in Rules 13a-15(e) under the Exchange Act); such disclosure controls and procedures are effective to provide reasonable assurance that information required to be disclosed in the Company's Exchange Act reports is recorded, processed, summarized and reported within the time periods specified by the Commission and that material information related to the Company and its consolidated subsidiaries is made known to management, including the Company's Chief Executive Officer and Chief Financial Officer, particularly during the period when the Company's periodic reports are being prepared to allow timely decisions regarding required disclosure.

2.35 The Company and its subsidiaries (a) are in compliance with any and all applicable foreign, federal, state and local laws and regulations relating to the protection of human health and safety, the environment or hazardous or toxic substances or wastes, pollutants or contaminants ("Environmental Laws"); (b) have received and are in compliance with all permits, licenses or other approvals required of them under applicable Environmental Laws to conduct their respective businesses; and (c) have not received notice of any actual or potential liability under any Environmental Law, except where such non-compliance with Environmental Laws, failure to receive required permits, licenses or other approvals or liability would not, individually or in the aggregate, have a Material Adverse Effect, except as set forth in or contemplated in the Disclosure Package and the Final Memorandum. Except as set forth in the Disclosure Package and the Final Memorandum, neither the Company nor any of its subsidiaries has been named as a "potentially responsible party" under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended.

2.36 In the ordinary course of its business, the Company periodically reviews the effect of Environmental Laws on the business, operations and properties of the Company and its subsidiaries, in the course of which it identifies and evaluates associated costs and liabilities (including, without limitation, any capital or operating expenditures required for clean-up, closure of properties or compliance with Environmental Laws or any permit, license or approval, any related constraints on operating activities and any potential liabilities to third parties); on the basis of such review, the Company has reasonably concluded that such associated costs and liabilities would not, singly or in the aggregate, have a Material Adverse Effect, except as set forth or contemplated in the Disclosure Package and the Final Memorandum.

2.37 None of the following events has occurred or exists: (a) a failure to fulfill the obligations, if any, under the minimum funding standards of Section 302 of the United States Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and the regulations and published interpretations thereunder with respect to a Plan (as defined below), determined without regard to any waiver of such obligations or extension of any amortization period; (b) an audit or investigation by the Internal Revenue Service, the U.S. Department of Labor, the Pension Benefit Guaranty Corporation or any other federal or state governmental agency or any foreign regulatory agency with respect to the employment or compensation of employees by any of the Company or any of its subsidiaries that could have a Material Adverse Effect, except as set forth or contemplated in the Disclosure Package and the Final Memorandum; (c) any breach of any contractual obligation, or any violation of law or applicable qualification standards, with respect to the employment or compensation of employees by the Company or any of its subsidiaries that could have a Material Adverse Effect, except as set forth or contemplated in the Disclosure Package and the Final Memorandum. None of the following events has occurred or is reasonably likely to occur: (i) a material increase in the aggregate amount of contributions required to be made to all Plans in the current fiscal year of the Company and its subsidiaries compared to the amount of such contributions made in the most recently completed fiscal year of the Company and its subsidiaries; (ii) a material increase in the "accumulated post-retirement benefit obligations" (within the meaning of FASB ASC Topic 715) of the Company and its subsidiaries compared to the amount of such obligations in the most recently completed fiscal year of the Company and its subsidiaries; (iii) any event or condition giving rise to a liability under Title IV of ERISA that could have a Material Adverse Effect, except as set forth in or contemplated in the Disclosure Package and the Final Memorandum; or (iv) the filing of a claim by one or more employees or former employees of the Company or any of its subsidiaries related to their employment that could have a Material Adverse Effect, except as set forth or contemplated in the Disclosure Package and the Final Memorandum. For purposes of this paragraph, the term "Plan" means a plan (within the meaning of Section 3(3) of ERISA) subject to Title IV of ERISA with respect to which the Company or any of its subsidiaries may have any liability.

2.38 The subsidiaries listed on ANNEX F to the Note Purchase Agreement are the only "significant subsidiaries" of the Company (as defined in Rule 1-02 of Regulation S-X).

2.39 None of the Company, its subsidiaries or, to the knowledge of the Company, any director, officer, agent, employee or Affiliate (as defined below) of the Company or any of its subsidiaries is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (the "FCPA"), including, without limitation, making use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any "foreign official" (as such term is defined in the FCPA) or any foreign political party or official thereof or any candidate for foreign political office, in contravention of the FCPA; the Company, its subsidiaries and, to the knowledge of the Company, its Affiliates have conducted their businesses in compliance with the FCPA and have instituted and maintained policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith. "Affiliate" has the meaning given to it in Rule 144(a) under the Securities Act.

2.40 The operations of the Company and its subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements and money laundering statutes and the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "Money Laundering Laws"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

2.41 None of the Company, any of its subsidiaries or, to the knowledge of the Company, any director, officer, agent, employee or Affiliate of the Company or any of its subsidiaries is currently subject to any sanctions administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury ("OFAC"), and the Company will not, directly or indirectly, use the proceeds of the offering of the Notes hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity, for the purpose of financing the activities of any person currently subject to any U.S. sanctions administered by OFAC.

2.42 There is and has been no failure on the part of the Company and any of the Company's directors or officers, in their capacities as such, to comply with any provision of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated in connection therewith, including Section 402, related to loans, and Sections 302 and 906, related to certifications.

2.43 The Company and its subsidiaries own, possess, license or otherwise have adequate rights to use, on reasonable terms, all patents, trademarks, service marks, trade names, copyrights and copyrightable works, licenses, inventions, trade secrets, technology, know-how (whether or not patentable) and other intellectual property or proprietary rights (including all registrations and applications for registration of, and all goodwill associated with, the foregoing) (collectively, the "Intellectual Property") necessary for the conduct of the Company's business as now conducted and as proposed in the Final Memorandum to be conducted. Except as set forth or incorporated by reference in the Preliminary Memorandum and the Final Memorandum or otherwise, the Company and its subsidiaries would not, singly or in the aggregate, have a Material Adverse Effect: (a) there are no rights of third parties to any such Intellectual Property; (b) to the Company's knowledge, there is no material infringement by third parties of any such Intellectual Property; (c) there is no pending or, to the Company's knowledge, threatened action, suit, proceeding or claim by others challenging the Company's rights in or to any such Intellectual Property, and the Company is unaware of any facts which would form a reasonable basis for any such claim; (d) there is no pending or, to the Company's knowledge, threatened action, suit, proceeding or claim by others challenging the validity or scope of any such Intellectual Property, and the Company is unaware of any facts which would form a reasonable basis for any such claim; (e) there is no pending or, to the Company's knowledge, threatened action, suit, proceeding or claim by others that the Company infringes or otherwise violates any Intellectual Property or other proprietary rights of others, and the Company is unaware of any other fact which would form a reasonable basis for any such claim; (f) there is no U.S. patent or published U.S. patent application which contains claims that have (or may have) priority over or dominate (or may dominate) any Intellectual Property described in the Disclosure Package and the Final Memorandum as being owned by or licensed to the Company or that interferes with the issued or pending claims of any such Intellectual Property; and (g) there is no prior art of which the Company is aware that may render any U.S. patent held by the Company invalid or any U.S. patent application held by the Company unpatentable that has not been disclosed to the U.S. Patent and Trademark Office.

2.44 Each of the Company's directors and executive officers has executed and delivered to the Company a lock-up agreement in the form of ANNEX G to the Note Purchase Agreement.

2.45 The Company has not engaged any broker, finder, commission agent or other person (other than the Placement Agent) in connection with the offering and sale of the Notes contemplated hereby or any of the transactions contemplated in the Transaction Agreements, and the Company is not under any obligation to pay any broker's fee or commission in connection with such transactions (other than commissions or fees to the Placement Agent).

3. Representations, Warranties and Covenants of the Purchasers. Such Purchaser represents and warrants to, and covenants with, the Company, the Placement Agent and the Closing Agent that:

3.1 Purchaser Status

. Such Purchaser acknowledges that (a) it meets the definition of "qualified institutional buyers" as defined in Rule 144A(a)(1) under the Securities Act; and (b) is not an entity formed for the sole purpose of acquiring the Notes. Such Purchaser is not an "affiliate" of the Company within the meaning of Rule 144 under the Securities Act.

3.2 Experience. (a) Such Purchaser is knowledgeable, sophisticated and experienced in financial and business matters and in making, and is qualified to make, decisions with respect to investments in shares representing an investment decision like that involved in the purchase of the Notes (and the Common Stock into which the Notes are potentially convertible), and such Purchaser has undertaken an independent analysis of the merits and the risks of an investment in the Notes (and the Common Stock into which the Notes are potentially convertible) and has reviewed carefully the Disclosure Package (and will review carefully the Final Memorandum, as of its date), based on such Purchaser's own financial circumstances; (b) such Purchaser understands that its investment in the Notes (and the Common Stock into which the Notes are potentially convertible) involves a significant degree of risk, including a risk of total loss of such Purchaser's investment, and such Purchaser understands that the market price of the Common Stock into which such Notes are potentially convertible has been volatile and that no representation is being made as to the future value of the Common Stock; (c) such Purchaser has had the opportunity to request, receive, review and consider all information it deems relevant in making an informed decision to purchase the Notes (and the Common Stock into which the Notes are potentially convertible) and to ask questions of, and receive answers from, the Company concerning such information; (d) such Purchaser will comply with the Securities Act as applicable to it in connection with resales of the Notes, or the Common Stock into which the Notes are convertible, pursuant to any exemption from the Securities Act; and (e) such Purchaser has, in connection with its decision to purchase the principal amount of Notes set forth on the signature page to the Note Purchase Agreement, relied solely upon the Disclosure Package (and the Final Memorandum, as of its date) and the representations and warranties of the Company contained herein, and such Purchaser has not relied on the Placement Agent or the Closing Agent in negotiating the terms of its investment in the Notes (and the Common Stock into which the Notes are potentially convertible), and, in making a decision to purchase the Notes (and the Common Stock into which the Notes are potentially convertible), such Purchaser has not received or relied on any communication, investment advice or recommendation from the Placement Agent or the Closing Agent.

3.3 Intent. Such Purchaser is acquiring the principal amount of Notes set forth on the signature page to the Note Purchase Agreement in the ordinary course of its business and for its own account and with no present intention of distributing any of such Notes or the Common Stock potentially issuable upon conversion of the Notes or any arrangement or understanding with any other Persons regarding the distribution of such Notes or Common Stock.

3.4 Source of Funds. Such Purchaser of the Notes will be deemed to have represented and agreed that either (a) such Purchaser is not a "plan" (as defined in ERISA, and which term includes: (i) "employee benefit plans" (as defined in Section 3(3) of ERISA); (ii) plans, individual retirement accounts and other arrangements that are subject to Section 4975 of the Internal Revenue Code of 1986, as amended, and the regulations and published interpretations thereunder (the "Code") or to provisions under applicable Federal, state, local, non-U.S. or similar laws; and (iii) entities the underlying assets of which are considered to include "plan assets" of such plans, accounts and arrangements) and it is not purchasing the Notes on behalf of, or with the "plan assets" of, any "plan" (as so defined); or (b) such Purchaser's purchase, holding and subsequent disposition of the Notes either (i) are not a prohibited transaction under ERISA or the Code and are otherwise permissible under all applicable similar laws or (ii) are entitled to exemptive relief from the prohibited transaction provisions of ERISA and the Code in accordance with one or more available statutory, class or individual prohibited transaction exemptions and are otherwise permissible under all applicable similar laws.

3.5 Reliance on Exemptions. Such Purchaser understands that the Notes (and the Common Stock into which the Notes are potentially convertible) are being offered and sold to it in reliance upon specific exemptions from the registration requirements of the Securities Act, the rules and regulations promulgated thereunder, and state securities laws and that the Company is relying upon the truth and accuracy of, and such Purchaser's compliance with, the representations, warranties, agreements, acknowledgments and understandings of such Purchaser set forth herein in order to determine the availability of such exemptions and the eligibility of such Purchaser to acquire the Notes (and the Common Stock into which the Notes are potentially convertible).

3.6 Confidentiality. For the benefit of the Company, such Purchaser previously agreed to keep confidential all information concerning the private placement of Notes. Such Purchaser is prohibited from reproducing or distributing the Note Purchase Agreement, the Preliminary Memorandum and Final Memorandum or any other offering materials or other information provided by the Company in connection with such Purchaser's consideration of its investment in the Company, in whole or in part, or divulging or discussing any of their contents, except to its financial, investment or legal advisors, on a confidential basis, in connection with its proposed investment in the Notes (and the Common Stock into which the Notes are potentially convertible) or as required by applicable law or regulation. Further, such Purchaser understands that the existence and nature of all conversations and presentations, if any, regarding the Company and the offering of Notes must be kept strictly confidential. Such Purchaser understands that the federal securities laws impose restrictions on trading based on information regarding the offering of Notes. In addition, such Purchaser hereby acknowledges that unauthorized disclosure of information regarding the offering of Notes may result in a violation of Regulation FD. This obligation will terminate upon the filing by the Company of the press release or Current Report on Form 8-K referred to in Section 4(a) below, which shall include any material, non-public information provided to such Purchaser prior to the date hereof. The foregoing agreements shall not apply to any information that is or becomes publicly available through no fault of such Purchaser, or that such Purchaser is legally required to disclose; *provided*, *however*, that if such Purchaser is requested or ordered to disclose any such information pursuant to any court or other government order or any other applicable legal procedure, it shall use its reasonable best efforts to provide the Company with prompt notice of any such request or order in time sufficient to enable the Company to seek an appropriate protective order.

3.7 Investment Decision. Such Purchaser understands that nothing in the Note Purchase Agreement or any other materials presented to such Purchaser in connection with the purchase and sale of the Notes (and the Common Stock into which the Notes are potentially convertible) constitutes legal, tax or investment advice. Such Purchaser has consulted such legal, tax and investment advisors as it, in its sole discretion, has deemed necessary or appropriate in connection with its purchase of the Notes (and the Common Stock into which the Notes are potentially convertible).

3.8 Legend. Such Purchaser understands that the Notes and the Common Stock will initially bear the restrictive legends as set forth in the Indenture and that the Company will make a notation on its records and give instructions to the Trustee and any transfer agent of the Common Stock in order to implement the restrictions on transfer set forth and described herein.

3.9 Residency. Such Purchaser's principal executive offices are in the jurisdiction set forth immediately below such Purchaser's name on the signature page hereto.

3.10 Organization; Validity; Enforcements ; Undertaking. (a) Such Purchaser has full right, power and authority to enter into the Note Purchase Agreement and to consummate the transactions contemplated hereby and has taken all necessary action to authorize the execution, delivery and performance of the Note Purchase Agreement, (b) the making and performance of the Note Purchase Agreement by such Purchaser and the consummation of the transactions herein contemplated will not violate any provision of the organizational documents of such Purchaser or conflict with, result in the breach or violation of, or constitute, either by itself or upon notice or the passage of time or both, a default under any material agreement, mortgage, deed of trust, lease, franchise, license, indenture, permit or other instrument to which such Purchaser is a party or, any statute or any authorization, judgment, decree, order, rule or regulation of any court or any regulatory body, administrative agency or other governmental agency or body applicable to such Purchaser, (c) no consent, approval, authorization or other order of any court, regulatory body, administrative agency or other governmental agency or body is required on the part of such Purchaser for the execution and delivery of the Note Purchase Agreement or the consummation of the transactions contemplated by the Note Purchase Agreement, (d) upon the execution and delivery of the Note Purchase Agreement, the Note Purchase Agreement shall constitute a legal, valid and binding obligation of such Purchaser, enforceable in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws or judicial decisions of general application relating to or affecting the enforcement of creditors' rights generally and the application of equitable principles relating to the availability of remedies and except as rights to indemnity or contribution may be limited by federal or state securities laws or the public policy underlying such laws; (e) there is not in effect any order enjoining or restraining such Purchaser from entering into or engaging in any of the transactions contemplated by the Note Purchase Agreement; and (f) each Purchaser undertakes (i) to observe all the requirements of the Research Law and the provisions of the applicable regulations, rules, procedures and benefit plans, as applied to Protalix Ltd. and as directed by the research committee of the Israeli Innovation Authority (the "Research Committee"), in particular those requirements relating to the prohibitions on the transfer of know-how and/or production rights; and (ii) as a shareholder of the Company, to make all reasonable efforts that Protalix Ltd. shall observe strictly all the requirements of the Research Law and the provisions of the applicable regulations, rules, procedures and benefit plans, as applied to Protalix Ltd. and as directed by the Research Committee, in particular those requirements relating to the prohibitions on the transfer of know-how and/or production rights. Each Purchaser hereby irrevocably authorizes and empowers the Trustee, the Collateral Agent and the Israeli Security Trustee to execute on its behalf the standard undertaking in the form requested by the Israeli Innovation Authority.

4. Covenants. The Company shall:

(a) issue a press release or file with the Commission a Current Report on Form 8-K publicly disclosing all material non-public information provided to the Purchasers in connection with the transactions contemplated by the Note Purchase Agreement on or before 9:00 a.m., New York City time, on the first business day following the date hereof;

(b) not, and shall cause each of its subsidiaries and each of their respective officers, directors, employees and agents not to, provide any Purchaser with any material, non-public information regarding the Company or any of its subsidiaries from and after the issuing or filing of such press release or current report on Form 8-K, as applicable, pursuant to Section 4(a) above without the express written consent of such Purchaser;

(c) not, during the period ending 90 days after the date hereof, without the prior written consent of the Placement Agent, directly or indirectly, (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable for Common Stock; (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Common Stock or any securities convertible into or exercisable or exchangeable for Common Stock, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Common Stock or such other securities, in cash or otherwise; (iii) file any registration statement with the Commission relating to the offering of any shares of Common Stock or any securities convertible into or exercisable or exchangeable for Common Stock or (iv) publicly announce any intention to take any of the actions specified in clauses (i) through (iii) above; *provided*, *however*, that the foregoing restrictions shall not apply to (A) the issuance of the Notes pursuant to the Note Purchase Agreement or the Exchange Agreement; (B) the issuance by the Company of any Common Stock or securities convertible into or exercisable or exchangeable for Common Stock to partners, licensees, consultants and service providers, provided that (x) the aggregate number of shares of Common Stock issued, or underlying convertible, exercisable or exchangeable securities issued, pursuant to this clause (B) cannot exceed 5% of the number of shares of Common Stock outstanding as of the execution and delivery of this Note Purchase Agreement; and (y) each recipient of such Common Stock or other securities must, prior to or concurrently with receiving, or entering into a definitive agreement to receive, such Common Stock or other securities, execute and deliver to the Company a lock-up agreement substantially in the form of ANNEX G to this Note Purchase Agreement; (C) the issuance by the Company of shares of Common Stock upon the exercise of an option or warrant or the conversion of a security outstanding on the date hereof and disclosed in the Disclosure Package and the Final Placement Memorandum; (D) the granting or exercise of options or stock purchase rights pursuant to the Company's stock option and stock purchase plans, whenever granted; or (E) the issuance of any Common Stock upon the conversion of any Notes in accordance with the Indenture;

(d) on or prior to the date hereof, have furnished to the Closing Agent each of the lock-up agreements referred to in Section 2.44 above, and such agreements shall be in full force and effect on the Closing Date;

(e) make all necessary filings required by, and otherwise comply with, all applicable state or foreign securities or "blue sky" laws in connection with the purchase and sale of Notes contemplated by the Note Purchase Agreement;

(f) file and take all other actions to perfect such interests as described in the U.S. Security Agreement, the Intellectual Property Security Agreements (as defined in the U.S. Security Agreement), the IP Charge and the Floating Charge;

(g) cause all shares of Common Stock, if any, issued upon conversion of the Notes to be listed on each securities exchange, if any, on which other shares of Common Stock are then listed; and

(h) use commercially reasonable efforts to obtain shareholder approval to amend its Amended and Restated Articles of Incorporation to increase the number of authorized shares of Common Stock to an amount that is sufficient to cover any issuances of Common Stock under the Indenture, assuming Physical Settlement (as defined in the Indenture).

5. Perfection in Israel. The Company has authorized Meitar Liquornik Geva Leshem Tal, Israeli counsel for Highbridge Tactical Credit & Convertibles Master Fund, one of the Purchasers, to submit the documents required in order to (i) file for registration at the Israeli Registrar of Companies the U.S. Security Agreement, the Intellectual Property Security Agreements (as defined in the U.S. Security Agreement), the IP Charge and the Floating Charge and (ii) file for registration at the Israeli Registrar of Pledges the Israeli Stock Pledge, in each case as promptly as possible following the Closing Date, but in any event no later than ten business days following the Closing Date.

6. Broker's Fee. Such Purchaser acknowledges that the Company intends to pay to the Placement Agent a fee in respect of the sale of the Notes to such Purchaser. Such Purchaser and the Company agree that such Purchaser shall not be responsible for such fee and that the Company will indemnify and hold harmless such Purchaser against any losses, claims, damages, liabilities or expenses, joint or several, to which such Purchaser may become subject with respect to such fee. Each of the parties hereto represents that, on the basis of any actions and agreements by it, there are no other brokers or finders entitled to compensation in connection with the sale of the Notes to such Purchaser.

7. Independent Nature of Purchasers' Obligations and Rights. The obligations of such Purchaser under the Note Purchase Agreement are several and not joint with the obligations of any other Purchaser, and such Purchaser shall not be responsible in any way for the performance of the obligations of any other Purchaser under the Note Purchase Agreement. The decision of such Purchaser to purchase the Notes (and the Common Stock into which the Notes are potentially convertible) pursuant to the Note Purchase Agreement has been made by such Purchaser independently of any other Purchaser. Nothing contained in the Note Purchase Agreement, and no action taken by such Purchaser pursuant hereto, shall be deemed to constitute a partnership, an association, a joint venture or any other kind of entity among such Purchaser and the other Purchasers, or to create a presumption that any of the foregoing are in any way acting in concert or as a group with respect to such obligations or the transactions contemplated by the Note Purchase Agreement. Such Purchaser acknowledges that no other Purchaser has acted as agent for such Purchaser in connection with making its investment hereunder and that no other Purchaser will be acting as agent of such Purchaser in connection with monitoring its investment in the Notes (and the Common Stock into which the Notes are potentially convertible) or enforcing its rights under the Note Purchase Agreement. Such Purchaser shall be entitled to independently protect and enforce its rights, including, without limitation, the rights arising out of the Note Purchase Agreement, and it shall not be necessary for any other Purchaser to be joined as an additional party in any proceeding for such purpose.

8. Notices. All notices, requests, consents and other communications hereunder shall be in writing, shall be mailed by first-class registered or certified airmail, email, confirmed facsimile or nationally recognized overnight express courier postage prepaid and shall be deemed given when so mailed and shall be delivered as addressed as follows:

(x) if to the Company, to:

Protalix BioTherapeutics, Inc.
2 Snunit Street, Science Park, POB 455,
Carmiel 20100, Israel
Attention: Moshe Manor, President and Chief Executive Officer
Facsimile: 972-4-902-8102
Email: moshe.manor@protalix.com

with a copy to:

Morrison & Foerster LLP
250 West 55th Street
New York, New York 10019
Attention: Anna T. Pinedo
Facsimile: 1-212-468-7900
Email: apinedo@mofo.com

(y) if to such Purchaser, at its address as set forth on this signature page to the Note Purchase Agreement or at such other address or addresses as may have been furnished to the Company in writing.

9. Changes. The Note Purchase Agreement may not be modified or amended as between such Purchaser and the Company except pursuant to an instrument in writing signed by the Company and such Purchaser. Any amendment or waiver effected in accordance with this Section 9 shall be binding upon the Company and such Purchaser and upon any future holder of any Notes or any shares of Common Stock issued upon conversion of the Notes (or any successor securities thereto) purchased by such Purchaser pursuant hereto.

10. Survival of Agreements; Non-Survival of Company Representations and Warranties. Notwithstanding any investigation made by any party to the Note Purchase Agreement or by the Placement Agent, all covenants and agreements made by the Company and such Purchaser herein and in the Notes delivered pursuant hereto shall survive the execution of the Note Purchase Agreement, the delivery to such Purchaser of the Notes being purchased and the payment therefor.

11. Headings. The headings of the various sections of the Note Purchase Agreement have been inserted for convenience of reference only and shall not be deemed to be part of the Note Purchase Agreement.

12. Severability. In case any provision contained in the Note Purchase Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

13. Governing Law; Venue. The Note Purchase Agreement is to be construed in accordance with the internal laws of the State of New York. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in The City of New York, Borough of Manhattan, for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of such suit, action or proceeding is improper. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof to such party at the address for such notices to it under the Note Purchase Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. Each party hereby irrevocably waives any right it may have to, and agrees not to request, a jury trial for the adjudication of any dispute hereunder or in connection with or arising out of the Note Purchase Agreement or any transaction contemplated hereby. If either party shall commence a proceeding to enforce any provisions of the Note Purchase Agreement, then the prevailing party in such proceeding shall be reimbursed by the other party for its attorney's fees and other costs and expenses incurred with the investigation, preparation and prosecution of such proceeding.

14. Counterparts. The Note Purchase Agreement may be executed in counterparts, each of which shall constitute an original, but all of which, when taken together, shall constitute but one instrument, and shall become effective when one or more counterparts have been signed by each party hereto and delivered to the other parties. Delivery of an executed counterpart of the Note Purchase Agreement by facsimile transmission or electronic mail in PDF form shall be as effective as delivery of a manually executed counterpart hereof.

15. Entire Agreement. The Note Purchase Agreement and the instruments referenced herein contain the entire understanding of the parties with respect to the matters covered herein and therein, and, except as specifically set forth herein or therein, neither the Company nor such Purchaser makes any representation, warranty, covenant or undertaking with respect to such matters. Each party expressly represents and warrants that it is not relying on any oral or written representations, warranties, covenants or agreements outside of the Note Purchase Agreement.

16. Fees and Expenses. Except as set forth herein and in the Engagement Letter, each of the Company and such Purchaser shall pay its fees and expenses related to the transactions contemplated by the Note Purchase Agreement.

17. Parties. The Note Purchase Agreement is made solely for the benefit of and is binding upon such Purchaser and the Company and, to the extent provided in Section 19 below, any Person controlling the Company or such Purchaser, the officers and directors of the Company and their respective executors, administrators, successors and assigns. No other Person shall acquire or have any right under or by virtue of the Note Purchase Agreement, except that each of the Placement Agent and the Closing Agent is an intended third-party beneficiary of the Note Purchase Agreement (including pursuant to Section 19 below). The term "successors and assigns" shall not include any subsequent purchaser, as such purchaser, of the Notes sold to such Purchaser pursuant to the Note Purchase Agreement or any shares of Common Stock issued to such Purchaser upon the conversion of such Notes.

18. Further Assurances. Each party agrees to cooperate fully with the other parties and to execute such further instruments, documents and agreements and to give such further written assurance as may be reasonably requested by any other party to evidence and reflect the transactions described herein and contemplated hereby and to carry into effect the intents and purposes of the Note Purchase Agreement.

19. Reliance by and Exculpation of the Placement Agent and the Closing Agent. Such Purchaser acknowledges that (a) neither the Placement Agent nor the Closing Agent has made, and neither of them will make, any representations and warranties with respect to the Company or the offer and sale of the Notes, and such Purchaser will not rely on any statements made by the Placement Agent or the Closing Agent, orally or in writing, to the contrary; (b) it will be responsible for conducting its own due diligence investigation with respect to the Company and the offer and sale of the Notes; (c) it will be purchasing Notes based on the results of its own due diligence investigation of the Company; (d) it has negotiated the offer and sale of the Notes directly with the Company, and neither the Placement Agent nor the Closing Agent will be responsible for the ultimate success of any such investment; and (e) the decision to invest in the Notes will involve a significant degree of risk, including a risk of total loss of such investment. Such Purchaser further represents and warrants that it, including any fund or funds that it manages or advises that participates in the offer and sale of the Notes, is permitted under its constitutive documents (including, without limitation, all limited partnership agreements, charters, bylaws, limited liability company agreements, all applicable side letters with investors, and similar documents) to make investments of the type contemplated by the Note Purchase Agreement. In light of the foregoing, to the fullest extent permitted by law, each of such Purchaser and the Company releases the Placement Agent, the Closing Agent and their respective employees, officers and affiliates from any liability with respect to such Purchaser's participation in the offer and sale of the Notes, including, but not limited to, any improper payment made in accordance with the information provided by the Company. This Section 19 shall survive any termination of this Note Purchase Agreement. The Placement Agent has introduced such Purchaser to the Company in reliance on such Purchaser's understanding and agreement to this Section 19.

The parties agree and acknowledge that the Placement Agent and the Closing Agent may rely on the representations, warranties, agreements and covenants of the Company contained in the Note Purchase Agreement and may rely on the representations and warranties of the respective Purchasers contained in the Note Purchase Agreement as if such representations, warranties, agreements and covenants, as applicable, were made directly to the Placement Agent and the Closing Agent. The parties further agree that the Placement Agent and the Closing Agent may rely on the legal opinions to be delivered pursuant to Section 1.5(d) or 1.5(e) hereof and the certificates to be delivered pursuant to Section 1.5(f) or 1.5(g).

Each party hereto agrees for the express benefit of the Placement Agent and the Closing Agent that: (1) neither the Placement Agent nor the Closing Agent, and none of their respective affiliates or representatives, (A) shall be liable for any improper payment made in accordance with the information provided by the Company; (B) makes any representation or warranty, or has any responsibilities, as to the validity, accuracy, value or genuineness of any information, certificates or documentation delivered by or on behalf of the Company pursuant to the Note Purchase Agreement; or (C) shall be liable (x) for any action taken, suffered or omitted by any of them in good faith and reasonably believed to be authorized or within the discretion or rights or powers conferred upon it by the Note Purchase Agreement; or (y) for anything which any of them may do or refrain from doing in connection with the Note Purchase Agreement, except for such party's own gross negligence, willful misconduct or bad faith; and (2) the Placement Agent and the Closing Agent, and each of their respective affiliates and representatives, shall be entitled to (A) rely on, and shall be protected in acting upon, any certificate, instrument, opinion, notice, letter or any other document or security delivered to any of them by or on behalf of the Company; and (B) be indemnified by the Company for acting as Placement Agent and Closing Agent, respectively, hereunder.

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Exhibit 10.2

FORM OF EXCHANGE AGREEMENT

by and among

Protalix BioTherapeutics, Inc.

and

the Parties Signatory Hereto

Dated as of December 1, 2016

EXCHANGE AGREEMENT dated as of December 1, 2016 (this "Agreement"), by and among Protalix BioTherapeutics, Inc., a Delaware corporation (the "Company"), and the parties signatory hereto (each, a "Purchaser," and collectively, the "Purchasers").

BACKGROUND

As of the date hereof, Purchasers own and hold the Company's 4.50% Convertible Senior Notes due 2018 (the "Existing Notes") as identified opposite such Purchaser's name on Schedule I hereto. The Existing Notes have the covenants and terms set forth in the Indenture dated as of September 18, 2013 (the "Existing Indenture"), between the Company and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"). All capitalized terms used herein that are not otherwise defined shall have the meanings ascribed to them in the Existing Indenture or the Security Agreement, dated as of December 7, 2016, by and among the Company, the Guarantors and Wilmington Savings Fund Society, FSB, as Collateral Agent (the "U.S. Security Agreement"), as applicable.

The Company and the Purchasers desire to exchange (the "Exchange") Existing Notes for (a) newly issued shares (the "Shares") of common stock, par value $0.001 per share, of the Company (the "Common Stock"); (b) newly issued 7.50% Senior Secured Convertible Notes Due 2021 (the "Exchange Notes"); and (c) cash in the amount of accrued and unpaid interest on such Existing Notes through, but excluding, the Closing Date (as defined below), in a transaction exempt from registration under the Securities Act of 1933, as amended (the "Securities Act"), pursuant to the provisions of Section 4(a)(2) thereof.

In consideration of the mutual covenants and agreements contained in this Agreement, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the Company and the Purchasers, severally but not jointly, hereby agree as follows:

ARTICLE I

SHARE EXCHANGE

Section 1.1 Exchange. The Company agrees to issue to each Purchaser that number of Shares and principal amount of Exchange Notes, and pay to such Purchaser that amount of cash in U.S. dollars representing accrued and unpaid interest on the Existing Notes of such Purchaser, set forth on Schedule I hereto opposite such Purchaser's name in exchange for Existing Notes of such Purchaser having the aggregate principal set forth on Schedule I hereto opposite such Purchaser's name, and such Purchaser, severally and not jointly, agrees to exchange all such Existing Notes for such Shares, Exchange Notes and cash. For each $1,000 principal amount of Existing Notes exchanged by a Purchaser participating in the Concurrent Private Placement (as defined below), such Purchaser will receive (a) $775 aggregate principal amount of Exchange Notes (which, based on the total principal amount of Exchange Notes issuable to such Person, will be rounded up to the nearest $1,000 in principal amount, if applicable), (b) $250 in Shares, based on $0.5595 per share of Common Stock, which is the last reported consolidated closing bid price available as of the time of execution of this Agreement (the "Closing Sale Price"), and (c) $10.25 in cash for accrued and unpaid interest on such Exchange Notes (together, the "Participating Exchange Consideration"); *provided*, *however*, that, based on the aggregate principal amount of Existing Notes exchanged by such Purchaser pursuant to this Agreement, the Company will pay such Purchaser cash in lieu of any fractional share otherwise due pursuant to clause (b) above, based on the Closing Sale Price. For each $1,000 principal amount of Existing Notes exchanged by a Purchaser not participating in the Concurrent Private Placement, such Purchaser will receive (x) $525 aggregate principal amount of Exchange Notes (which, based on the total principal amount of Exchange Notes issuable to such Person, will be rounded up to the nearest $1,000 in principal amount, if applicable), (y) $225 in Shares, based on the Closing Sale Price, and (z) $10.25 in cash for accrued and unpaid interest on such Exchange Notes (together, the "Non-Participating Exchange Consideration"); *provided*, *however*, that, based on the aggregate principal amount of Existing Notes exchanged by such Purchaser pursuant to this Agreement, the Company will pay such Purchaser cash in lieu of any fractional share otherwise due pursuant to clause (y) above, based on the Closing Sale Price.

Section 1.2 Exchange Procedures.

(a) The closing of the Exchange (the "Closing") will be held on the third Business Day (as defined herein) following the date hereof (the "Closing Date"). No later than 10:00 a.m., New York City time, on the Closing Date, each Purchaser shall cause its custodian through which the Purchaser holds its Existing Notes to post a DWAC request to the Trustee (i) to effect the transfer of the Existing Notes in accordance with the procedures of The Depository Trust Company ("DTC"), into a book-entry account established by or on behalf of the Company, and to use commercially reasonable efforts to ensure that the Trustee receives an agent's message from DTC confirming the book-entry transfer of the Existing Notes, and (ii) for free receipt to the Trustee for such Purchaser's Shares and aggregate principal amount of Exchange Notes opposite such Purchaser's name on Schedule I hereto. The delivery of the Existing Notes by each Purchaser will be complete upon receipt by the Trustee on the Closing Date of an agent's message, book-entry confirmation from DTC and any other required documents.

(b) On the Closing Date, the Company, or Trustee at the Company's direction, will (i) cause the Shares and Exchange Notes to be credited to the DTC accounts identified opposite such Purchaser's name on Schedule I hereto against delivery of the Existing Notes and (ii) cause the payment of cash for accrued interest owed on the Existing Notes through, but excluding, the Closing Date, and in lieu of any fractional shares, as set forth on Schedule I hereto, by wire transfer of immediately available funds to the accounts previously provided in writing by such Purchaser. For the avoidance of doubt, Purchasers shall cease to own any Existing Notes as of the crediting of the Shares and Exchange Notes to the DTC accounts identified on Schedule I hereto and the payment of cash in lieu of any fractional shares and for accrued interest on the Existing Notes by wire transfer as provided in the immediately preceding sentence, and the Company shall be entitled to instruct the appropriate parties to immediately thereafter cancel the Existing Notes on the books and records of the Company.

ARTICLE II

REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company represents and warrants to, and agrees with, each Purchaser, as of the date hereof and as of the Closing Date, as follows:

Section 2.1 Existence and Power. The Company is a duly organized and validly existing corporation in good standing under the laws of the State of Delaware and has the corporate power and authority to own its properties and conduct its business as currently conducted. The Company's subsidiaries identified on Schedule II hereto are duly organized and validly existing in good standing under the laws of their respective jurisdictions of organization and have the organizational power and authority to hold their respective properties and conduct their businesses as currently conducted. The Company does not have any "significant subsidiary" as defined in Rule 1-02 of Regulation S-X that is not listed on Schedule II hereto.

Section 2.2 Authorization and Enforceability. The execution, delivery and performance of this Agreement and each other document, instrument or agreement executed and delivered by the Company in connection with the transactions contemplated hereby has been duly authorized by all necessary action on the part of the Company, and this Agreement and each other document, instrument or agreement executed and delivered by the Company in connection with the transactions contemplated hereby, when duly executed and delivered by the parties hereto and thereto, will be the legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms (subject, as to the enforcement of remedies, to applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting creditors' rights generally from time to time in effect and to general principles of equity).

Section 2.3 Capitalization. All issued and outstanding shares of Common Stock have been duly authorized and validly issued and are fully paid and nonassessable, and none of the outstanding shares of Common Stock were issued in violation of any preemptive or similar rights of any securityholder of the Company. The issued and outstanding shares of capital stock or other equity interests of each of the Company's subsidiaries have been duly authorized and validly issued, are fully paid and nonassessable and are owned by the Company free and clear of any security interests, liens, encumbrances, equities or claims of any third party.

Section 2.4 Valid Issuance of Shares. The Shares have been duly authorized for issuance by all necessary corporate action and, when issued in accordance with the terms hereof, the Shares will be validly issued, fully paid and nonassessable; and the Shares are not being issued in violation of any preemptive or other similar rights of any securityholder of the Company.

Section 2.5 Valid Issuance of Exchange Notes; Enforceability of Notes and Indenture. The Exchange Notes have been duly executed by the Company and, when authenticated by the Trustee in accordance with the indenture by and between the Company and the other parties identified therein (the "Indenture"), and delivered and paid for as provided herein, will be the legal, valid and binding obligations of the Company, enforceable against the Company in accordance with their terms and entitled to the benefits of the Indenture (subject, as to the enforcement of remedies, to applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting creditors' rights generally from time to time in effect and to general principles of equity); the maximum number shares of Common Stock initially issuable upon conversion of the Exchange Notes (including the maximum number of additional shares that may be issued in connection with a "Make-Whole Adjustment Event," assuming (x) all conversions are settled solely in shares of Common Stock and (y) the Authorized Share Amendment Effective Date (as defined in the Indenture) has occurred) (the "Maximum Number of Shares") will be, after the Authorized Share Amendment Effective Date (as defined in the Indenture), duly authorized and, when issued upon conversion of the Exchange Notes in accordance with the Indenture, will be validly issued, fully paid and nonassessable; the Indenture has been duly authorized and, assuming due authorization, execution and delivery thereof by the Trustee, when executed and delivered by the Company, will constitute a legal, valid, binding instrument enforceable against the Company in accordance with its terms (subject, as to the enforcement of remedies, to applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting creditors' rights generally from time to time in effect and to general principles of equity); the Board of Directors of the Company has duly and validly adopted resolutions reserving such shares of Common Stock for issuance upon conversion of the Exchange Notes; and such shares of Common Stock are not subject to any preemptive or similar right.

Section 2.6 Secured Party Rights.

(a) Protalix Ltd. is authorized to pledge to Altshuler Shaham Trust Ltd., as security trustee, for the benefit of the Trustee (on behalf of the Purchasers), a security interest in all (or portion) of its assets, subject to the approval of the Israeli National Authority for Technological Innovation (the "Israeli Innovation Authority") and in accordance with the provisions of the Israeli Encouragement of Research, Development and Technological Innovation in Industry Law, 5744-1984 (the "Research Law"); and

(b) the Company is authorized to pledge to the Collateral Agent, for the ratable benefit of the Secured Parties, a security interest in all of the property set forth in Section 3 of the U.S. Security Agreement, in accordance with the terms and provisions of the U.S. Security Agreement.

Section 2.7 Non-Contravention/No Consents. Other than as stipulated in Section 2.6 above, the execution and delivery of this Agreement, the Indenture and the Notes, the consummation of the transactions herein and therein contemplated, and the fulfillment of the terms hereof and thereof, will not conflict with, result in a breach or violation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any of its subsidiaries pursuant to, (a) the charter or by-laws or comparable constituting documents of the Company or any of its subsidiaries; (b) the terms of any indenture, contract, lease, mortgage, deed of trust, note agreement, loan agreement or other agreement, obligation, condition, covenant or instrument to which the Company or any of its subsidiaries is a party or bound or to which its or their property is subject; or (c) any statute, law, rule, regulation, judgment, order or decree of any court, regulatory body, administrative agency, governmental body, arbitrator or other authority having jurisdiction over the Company or any of its subsidiaries or any of its or their properties, except, in the cases of clauses (b) and (c), as would not, singly or in the aggregate, have a material adverse effect on the condition (financial or otherwise), prospects, earnings, business or properties of the Company and its subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business (a "Material Adverse Effect"). No stockholder approval is required under the rules of the NYSE MKT LLC ("NYSE MKT") in connection with the issuance of the Exchange Notes.

Section 2.8 SEC Reports. The Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2015, as amended, and all other reports filed by the Company with the Securities and Exchange Commission (the "SEC") pursuant to Section 13(a), Section 14 or Section 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), since December 31, 2015 and prior to the date hereof (collectively, the "Reports"), when they were filed with the SEC, complied as to form in all material respects with the applicable requirements under the Exchange Act, and did not, when such Reports were so filed, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Section 2.9 No Brokers. Neither the Company nor any of its subsidiaries nor any of their respective officers, directors, employees or agents has incurred any liability for any commissions or other remuneration in connection with the Exchange, other than pursuant to that certain Engagement Letter, dated as of November 3, 2016, between Jefferies LLC (the "Jefferies") and the Company (the "Engagement Letter").

Section 2.10 Section 4(a)(2) Exemption. It is not necessary in connection with the Exchange, in the manner contemplated herein, to register the issuance of the Shares and Exchange Notes under the Securities Act in reliance on the exemption from registration set forth under Section 4(a)(2) of the Securities Act. The Company or any person acting on its behalf has not offered or sold the Exchange Notes or the Shares by means of any general solicitation or general advertising or in any manner involving a public offering within the meaning under Section 4(a)(2) of the Securities Act.

Section 2.11 No Restrictions on Sale. Assuming the accuracy of the Purchasers' representations and warranties hereunder, the Shares and the Exchange Notes will, as of the Closing Date, be free of any restrictive legend or other restrictions on resale by the Company and will be issued in book-entry form, represented by permanent global certificates deposited with, or on behalf of, The Depositary Trust Company represented by the unrestricted CUSIP assigned to the Company's Common Stock.

Section 2.12 Properties. Each of the Company and its subsidiaries owns or leases all such properties as are reasonably necessary to the conduct of its operations as presently conducted.

Section 2.13 Intellectual Property. The Company and its subsidiaries own, possess, license or otherwise have adequate rights to use, on reasonable terms, all patents, trademarks, service marks, trade names, copyrights and copyrightable works, licenses, inventions, trade secrets, technology, know-how (whether or not patentable) and other intellectual property or proprietary rights (including all registrations and applications for registration of, and all goodwill associated with the foregoing) (collectively, the "Intellectual Property") necessary for the conduct of the Company's business as now conducted. None of the events, singly or in the aggregate, have a Material Adverse Effect: (a) there are no rights of third parties to any such Intellectual Property except as disclosed in the Reports; (b) to the Company's knowledge, there is no material infringement by third parties of any such Intellectual Property; (c) there is no pending or, to the Company's knowledge, threatened action, suit, proceeding or claim by others challenging the Company's rights in or to any such Intellectual Property, and the Company is unaware of any facts which would form a reasonable basis for any such claim; (d) there is no pending or, to the Company's knowledge, threatened action, suit, proceeding or claim by others challenging the validity or scope of any such Intellectual Property, and the Company is unaware of any facts which would form a reasonable basis for any such claim; (e) there is no pending or, to the Company's knowledge, threatened action, suit, proceeding or claim by others that the Company infringes or otherwise violates any Intellectual Property or other proprietary rights of others, and the Company is unaware of any other fact which would form a reasonable basis for any such claim; (f) there is no U.S. patent or published U.S. patent application which contains claims that have (or may have) priority over or dominate (or may dominate) any Intellectual Property owned by or licensed to the Company or that interferes with the issued or pending claims of any such Intellectual Property; and (g) there is no prior art of which the Company is aware that may render any U.S. patent held by the Company invalid or any U.S. patent application held by the Company unpatentable which has not been disclosed to the U.S. Patent and Trademark Office.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF THE PURCHASERS

Each Purchaser, severally but not jointly, represents and warrants to, and agrees with, the Company, as of the date hereof and as of the Closing Date, as follows:

Section 3.1 Existence and Power; Capitalization. The Purchaser is duly organized and validly existing under the laws of the jurisdiction of its organization and has all requisite power and authority to enter into and perform its obligations under this Agreement.

Section 3.2 Authorization. The execution, delivery and performance of this Agreement and each other document, instrument or agreement executed and delivered by such Purchaser in connection with the transactions contemplated hereby has been duly authorized by all necessary action on the part of the Purchaser, and this Agreement and each other document, instrument or agreement executed and delivered by such Purchaser in connection with the transactions contemplated hereby, when duly executed and delivered by the parties hereto and thereto, is a valid and binding obligation of the Purchaser, enforceable against it in accordance with its terms (subject, as to the enforcement of remedies, to applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting creditors' rights generally from time to time in effect and to general principles of equity). The Purchaser has the full right, power, legal capacity and authority to sell and transfer the Existing Notes and to enter into and perform its obligations under this Agreement.

Section 3.3 Governmental Authorization. As of the date hereof, no permit, authorization, consent or approval of or by, or any notification of or filing with, any Person (governmental or private) is required to be obtained or made by the Purchaser in connection with the execution, delivery and performance by it of this Agreement, the consummation by it of the transactions contemplated hereby or thereby, or the issuance or delivery to it by the Company of the Shares and Exchange Notes, other than a filing on a Schedule 13G or 13D (or 13G/A or 13D/A), if applicable.

Section 3.4 Non-Contravention/No Consents. The execution, delivery and performance of this Agreement will not conflict with, violate or result in a breach of any provision of, or constitute a default under, or result in the termination of or accelerate the performance required by (a) any provision of the organizational documents of the Purchaser, (b) any mortgage, note, indenture, deed of trust, loan agreement or other agreement or instrument to which the Purchaser is a party or by which the Purchaser is bound or to which any of the property or assets of the Purchaser is subject; or (c) any law, statute, rule, regulation, judgment, order, writ or decree of any arbitrator, court, governmental body, regulatory body, or administrative agency having jurisdiction over the Purchaser or any of its properties or assets, other than any such conflict, violation, breach, default, termination and acceleration under clauses (b) and (c) that would not reasonably be expected to materially adversely impact the ability of the Purchaser to consummate the transactions contemplated hereby.

Section 3.5 No Brokers. The Purchaser has not employed any broker or finder in connection with the transactions contemplated by this Agreement.

Section 3.6 Purchaser Status. Such Purchaser acknowledges that (a) it meets the definition of "qualified institutional buyers" as defined in Rule 144A(a)(1) under the Securities Act; and (b) is not an entity formed for the sole purpose of acquiring the Notes. Such Purchaser is not an "affiliate" of the Company within the meaning of Rule 144 under the Securities Act.

Section 3.7 Company Information. The Purchaser represents that in connection with this Agreement and the Exchange contemplated hereby it is relying solely on the information relating to the Company's business, finances and operations contained in the Reports and further acknowledges that the Company makes no representation or warranty with respect to any matters relating to the Company, its business, financial condition, results of operations, prospects or otherwise, except to the extent expressly provided in Article II hereof.

Section 3.8 The Purchaser undertakes (a) to observe all the requirements of the Research Law and the provisions of the applicable regulations, rules, procedures and benefit plans, as applied to Protalix Ltd. and as directed by the research committee of the Israeli Innovation Authority (the "Research Committee"), in particular those requirements relating to the prohibitions on the transfer of know-how and/or production rights; and (b) as a stockholder of the Company, to make all reasonable efforts to cause Protalix Ltd. to observe strictly all the requirements of the Research Law and the provisions of the applicable regulations, rules, procedures and benefit plans, as applied to Protalix Ltd. and as directed by the Research Committee, in particular those requirements relating to the prohibitions on the transfer of know-how and/or production rights. Each Purchaser hereby irrevocably authorizes and empowers the Trustee, the Collateral Agent and Altshuler Shaham Trust Ltd. (as security trustee under the Israeli law governed Security Documents) to execute on its behalf the standard undertaking in the form requested by the Israeli Innovation Authority.

Section 3.9 Risks of Investment. The Purchaser fully understands the risks relating to an investment in the Shares and Exchange Notes. The Purchaser is able to bear the economic risk of holding the Exchange Notes and Shares for an indefinite period (including total loss of its investment), and has sufficient knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risk of its investment.

Section 3.10 No Encumbrances. The Purchaser is the sole and exclusive holder of the Existing Notes free and clear of all liens, pledges, hypothecations, claims, restrictions or encumbrances, and no other person, firm or corporation has any interest whatsoever in the Existing Notes (other than pledges or security interests that the Purchaser may have created in favor of a prime broker under and in accordance with its prime brokerage agreement with such broker). The Exchange provided for herein will vest in the Company valid and absolute title to the Existing Notes, free and clear of any and all encumbrances, liens, pledges, hypothecations, restrictions, claims, options, agreements and conditions.

Section 3.11 Section 4(a)(2) Exemption. The Purchaser acknowledges that in connection with the Exchange, in the manner contemplated herein, the Company intends to rely on the exemption from registration set forth under Section 4(a)(2) of the Securities Act. The Purchaser knows of no reason why such exemption is not available.

Section 3.12 Investment Purpose. The Purchaser is acquiring the Exchange Notes and Shares solely for its own account for investment purposes and not with a view to, or for offer or sale in connection with, any distribution thereof. The Purchaser acknowledges that the offer and sale of the Exchange Notes and the Shares are not registered under the Securities Act, or any state securities laws, and that the Exchange Notes and Shares may not be transferred or sold except pursuant to the registration provisions of the Securities Act or pursuant to an applicable exemption therefrom and subject to state securities laws and regulations, as applicable.

Section 3.13 No View to Effecting Exchange. The Purchaser did not acquire the Existing Notes with a view to effecting the Exchange.

Section 3.14 Holding Period. The Purchaser has beneficially owned the Existing Notes being exchanged by such Purchaser in the Exchange continuously for a period of at least one year within the meaning of Rule 144(d) under the Securities Act.

Section 3.15 Concurrent Private Placement. The Purchaser acknowledges that, concurrently with the Exchange, the Company is conducting a private placement for cash of up to $35 million aggregate principal amount of securities of the same class as the Exchange Notes (the "Concurrent Private Placement").

Section 3.16 Reliance. The Purchaser acknowledges that the Company will rely upon the truth and accuracy of the foregoing representations and warranties.

ARTICLE IV

CLOSING CONDITIONS

Section 4.1 Conditions to the Company's Obligations. The Company's obligation to complete the Exchange at the Closing shall be subject to the following conditions, any one or more of which may be waived by the Company:

(a) receipt by the Company of the Existing Notes being exchanged hereunder and satisfaction by each Purchaser of all of its obligations contemplated by this Agreement in connection with the Exchange;

(b) completion of the Concurrent Private Placement;

(c) the accuracy of the representations and warranties made by the Purchasers in this Agreement; and

(d) no injunction, restraining order, action or order of any nature by a governmental or regulatory authority shall have been issued, taken or made and no action shall have been taken and no statute, rule, regulation or order shall have been enacted, adopted or issued by any federal, state or foreign governmental or regulatory authority of competent jurisdiction that would, prior to or as of the Closing Date, prevent or materially interfere with the consummation of the transactions contemplated by this Agreement.

Section 4.2 Conditions to the Purchasers' Obligations. Each Purchaser's obligation to complete the Exchange at the Closing shall be subject to the following conditions, any one or more of which may be waived by such Purchaser:

(a) completion of the Concurrent Private Placement;

(b) the Common Stock shall continue to be listed on the NYSE MKT as of the Closing Date; there shall have been no suspensions in the trading of the Common Stock as of the Closing Date; and the listing of additional shares notification form with respect to the Maximum Number of Shares shall have been submitted to NYSE MKT and NYSE MKT shall have confirmed that it has no objection to such notification; and

(c) no injunction, restraining order, action or order of any nature by a governmental or regulatory authority shall have been issued, taken or made and no action shall have been taken and no statute, rule, regulation or order shall have been enacted, adopted or issued by any federal, state or foreign governmental or regulatory authority of competent jurisdiction that would, prior to or as of the Closing Date, prevent or materially interfere with the consummation of the transactions contemplated by this Agreement.

ARTICLE V

MISCELLANEOUS

Section 5.1 Definitions.

(a) As used herein, the following terms have the following meanings:

"Business Day" means any day other than a Saturday, a Sunday or a day on which the Federal Reserve Bank of New York, Wilmington, Delaware or the place of payment is authorized or required by law or executive order to close or be closed.

"Person" or "person" shall mean an individual, corporation, association, partnership, trust, joint venture, business trust or unincorporated organization, or a government or any agency or political subdivision thereof.

Section 5.2 NYSE MKT Listing. The Company shall use its commercially reasonable efforts to cause all Shares and Common Stock issuable upon conversion of the Exchange Notes issued hereunder, upon official notice of issuance, to be listed on the NYSE MKT on the Closing Date, or such other date as mutually agreed to in writing by the parties hereto.

Section 5.3 Notices. All notices and other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given if delivered personally or by facsimile or three Business Days after having been sent by certified mail, return receipt requested, postage prepaid, to the parties to this Agreement at the following address or to such other address either party to this Agreement shall specify by notice to the other party:

(i) If to the Company:
Protalix BioTherapeutics, Inc.
2 Snunit Street, Science Park, POB 455,
Carmiel 20100, Israel
Attention: Moshe Manor, President and Chief Executive Officer.
Facsimile: 972-4-902-8102
E-mail: moshe.manor@protalix.com

with a copy to (which shall not constitute notice):

Morrison & Foerster LLP
250 West 55th Street
New York, New York 10019
Attention: Anna T. Pinedo
Facismile: 1-212-468-7900
E-mail: apinedo@mofo.com

(ii) if to such Purchaser, at its address as set forth on the signature page to this Agreement or such other address as may have been previously furnished to the Company in writing.

Section 5.4 Further Assurances. Each party hereto shall do and perform or cause to be done and performed all further acts and shall execute and deliver all other agreements, certificates, instruments and documents as the other party hereto reasonably may request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

Section 5.5 Amendments and Waivers.

(a) Any provision of this Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is duly executed and delivered by the Company and Purchasers.

(b) No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

Section 5.6 Fees and Expenses. Except as set forth in the Engagement Letter, each party hereto shall pay all of its own fees and expenses (including attorneys' fees) incurred in connection with this Agreement and the transactions contemplated hereby.

Section 5.7 Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, provided that neither party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the non-assigning party hereto. Notwithstanding the previous sentence, each Purchaser may assign its rights and obligations under this Agreement to one or more of the Purchaser's wholly owned subsidiaries that agrees in writing with the Company to be bound by the terms and provisions of this Agreement to the same extent as the Purchaser, but no such assignment shall relieve the Purchaser of its obligations hereunder.

Section 5.8 Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

Section 5.9 Jurisdiction; Waiver of Jury Trial.

(a) The parties hereto agree that any suit, action or proceeding seeking to enforce any provisions of, or based on any matter arising out of or in connection with, this Agreement and the transactions contemplated hereby may only be brought in the United States District Court for the Southern District of New York or any New York State court sitting in the Borough of Manhattan in New York City, and each of the parties hereby consents to the jurisdiction of such courts (and of the corresponding appellate courts) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the venue of any such suit, action or proceeding in any of those courts or that any such suit, action or proceeding which is brought in any of those courts has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court.

(b) THE PARTIES HERETO HEREBY IRREVOCABLY WAIVE ANY AND ALL RIGHTS TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 5.10 Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter of this Agreement and supersedes all prior agreements and understandings, both oral and written, between the parties hereto with respect to the subject matter of this Agreement.

Section 5.11 Effect of Headings. The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

Section 5.12 Severability. If one or more provisions of this Agreement are held to be unenforceable under applicable law, such provision shall be deemed to be excluded from this Agreement and the balance of this Agreement shall be interpreted as if such provision were so excluded and shall be enforced in accordance with its terms to the maximum extent permitted by law.

Section 5.13 Public Announcements. Subject to each party's disclosure obligations imposed by law, each of the parties hereto agree that the terms of this Agreement shall not be disclosed or otherwise made available to the public and that copies of this Agreement shall not be publicly filed or otherwise made available to the public.

Section 5.14 Counterparts; Third Party Beneficiaries. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures were upon the same instrument. No provision of this Agreement shall confer upon any Person other than the parties hereto any rights or remedies hereunder; *provided*, *however*, that Jefferies will be deemed to be a third party beneficiary of this Agreement to the extent provided in Section 5.19.

Section 5.15 Withholding. On the date hereof (and at any other time or times prescribed by applicable law or as reasonably requested by the Company), each Purchaser shall deliver to the Company a properly completed and duly executed IRS Form W-9 , Form W-8BEN, W-8BEN-E or other appropriate Form W-8 (or successor form), together with any other information necessary in order to establish an exemption from, or a reduced rate of, U.S. federal income tax withholding, and except to the extent that an exemption or reduction is properly established, all payments to be made by the Company in respect of the Shares and Exchange Notes shall be made net of deduction or withholding for or on account of taxes as required by applicable law. Each Purchaser shall promptly notify the Company if at any time such previously delivered IRS forms or information are no longer correct or valid.

Section 5.16 Isolated Recapitalization. The Company and Purchasers intend that, for U.S. federal income tax purposes, the Exchange qualify as a plan of reorganization and as an isolated transaction that is a recapitalization within the meaning of Section 368(a)(1)(E) of the Code.

Section 5.17 Other Transactions. The Company represents to each Purchaser that the Company has not (a) agreed or entered into any arrangements with any holder of Existing Notes to exchange such Existing Notes for other securities or other consideration, other than pursuant to the Exchange and this Agreement; or (b) agreed or entered into any arrangements with any Purchaser to provide for the exchange of such Purchaser's Existing Notes on terms that differ from the terms set forth in this Agreement; *provided*, *however*, that nothing in this Section 5.17 will affect the Company's ability to effect any future exchange of any of its securities on terms that may differ from the terms set forth in this Agreement.

Section 5.18 Miscellaneous. For the avoidance of doubt, each representation, warranty, obligation and covenant of each Purchaser herein relates solely to that Purchaser and no Purchaser shall be liable for the inaccuracy of any representation or warranty or any breach of any obligation or covenant of another Purchaser hereunder.

Section 5.19 Exculpation of and Reliance by Jefferies. Each Purchaser acknowledges that Jefferies is acting as an advisor to the Company in connection with the transactions contemplated by this Agreement. Each Purchaser acknowledges that (a) Jefferies has not made, and it will not make, any representations and warranties with respect to the Company or the Exchange, and such Purchaser will not rely on any statements made by Jefferies, orally or in writing, to the contrary; (b) it has negotiated the terms of the Exchange directly with the Company, and Jefferies will not be responsible for the ultimate success of any investment in the Shares or the Exchange Notes; and (c) the decision to participate in the Exchange will involve a significant degree of risk, including a risk of total loss of such investment. In light of the foregoing, to the fullest extent permitted by law, each of the Purchasers and the Company releases Jefferies and its employees, officers and affiliates from any liability with respect to the Purchaser's participation in the Exchange. Each of the Purchasers and the Company agrees and acknowledges that Jefferies may rely on the representations, warranties, agreements and covenants of the Purchasers and the Company contained in this Agreement as if such representations, warranties, agreements and covenants were made directly to Jefferies. This Section 5.19 will survive any termination of this Agreement.

[*The remainder of this page is intentionally left blank*]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

PROTALIX BIOTHERAPEUTICS, INC.

By: ______________________________
Name:
Title:

[Signature Page to Exchange Agreement]

Print or Type:

____
Name of Purchaser
(*Individual or Institution*)

____
Jurisdiction of Purchaser's Executive Offices

____
Name of Individual representing Purchaser (*if an Institution*)

____
Title of Individual representing Purchaser (*if an Institution*)

Signature by:

Individual Purchaser or Individual representing Purchaser:

____

Address: ________________________

Telephone: ________________________

Facsimile: ________________________

Email: ________________________

NOMINEE/CUSTODIAN (Name in which the Notes and, if applicable, Common Stock issued upon conversion of the Notes are to be registered if different than name of Purchaser):_________

DTC Number: ________________________

Tax I.D. Number or Social Security Number: ________________________
(If acquired in the name of a nominee/custodian, the taxpayer I.D. number of such nominee/custodian)

*** Please note that if you are sub-allocating to multiple funds,
you must execute a signature page for each fund. ***

[Signature Page to Exchange Agreement]

Schedule I

Exhibit 10.3

FORM OF SECURITY AGREEMENT

dated as of

December 7, 2016

among

PROTALIX BIOTHERAPEUTICS, INC.

THE GUARANTORS PARTY HERETO

and

WILMINGTON SAVINGS FUND SOCIETY, FSB,
as Collateral Agent

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Exhibit E Perfection Certificate

Exhibit F Issuer Control Agreement

SECURITY AGREEMENT

This SECURITY AGREEMENT dated as of December 7, 2016 (the "Effective Date") among Protalix BioTherapeutics, Inc., as Issuer (the "Issuer"), the Guarantors party hereto and Wilmington Savings Fund Society, FSB, as Collateral Agent (the "Collateral Agent").

WHEREAS, pursuant to the Indenture dated as of December 7, 2016 among the Issuer, the Guarantors party thereto, The Bank of New York Mellon Trust Company, N.A., as Trustee, and Wilmington Savings Fund Society, FSB, as Collateral Agent (as amended, modified, renewed or extended from time to time, the "Indenture"), the Issuer intends to issue its 7.50% secured convertible notes (the "Notes") and the Guarantors intend to guarantee the Notes;

WHEREAS, the Issuer and the Guarantors are willing to secure their respective obligations under the Indenture, by granting Liens on their respective assets to the Collateral Agent as provided herein;

WHEREAS, the Collateral Agent has agreed to act as agent for the benefit of the Secured Parties in connection with the transactions contemplated by the Indenture and this Agreement; and

WHEREAS, upon any foreclosure or other enforcement action as provided herein, the net proceeds of the relevant Collateral are to be received by or paid over to the Collateral Agent and applied as provided herein;

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. *Definitions*.

(a) *Terms Defined in Indenture*. Terms defined in the Indenture and not otherwise defined in subsection (b) or (c) of this Section have, as used herein, the respective meanings provided for therein. The rules of construction specified in Section 1.03 of the Indenture also apply to this Agreement.

(b) *Terms Defined in UCC*. As used herein, each of the following terms has the meaning specified in the UCC:

Term	UCC
Account	9-102
Authenticate	9-102
Certificated Security	8-102
Chattel Paper	9-102
Commercial Tort Claim	9-102
Commodity Account	9-102
Commodity Customer	9-102
Deposit Account	9-102
Document	9-102
Equipment	9-102
Financial Asset	8-102 & 103
Fixtures	9-102
General Intangibles	9-102
Goods	9-102
Instrument	9-102
Inventory	9-102
Investment Property	9-102
Letter-of-Credit Right	9-102
Record	9-102
Securities Account	8-501
Security	8-102 & 103
Security Entitlement	8-102
Supporting Obligation	9-102
Uncertificated Security	8-102

(c) *Additional Definitions*. The following additional terms, as used herein, have the following meanings:

“**Collateral**” has the meaning set forth in Section 3(a)(xiv).

“**Control**” has the meaning specified in UCC Section 8-106, 9-104, 9-105, 9-106 or 9-107, as may be applicable to the relevant Collateral.

“**Controlled Deposit Account**” means a Deposit Account (i) that is subject to a Deposit Account Control Agreement or (ii) as to which the Collateral Agent is the Depositary Bank’s “customer” (as defined in UCC Section 4-104).

“**Copyright License**” means any agreement now or hereafter in existence granting to any Grantor, or pursuant to which any Grantor grants to any other Person, any right to use, copy, reproduce, distribute, prepare derivative works, display or publish any records or other materials on which a Copyright is in existence or may come into existence, including any agreement identified in Schedule 1 to any Copyright Security Agreement.

"**Copyrights**" means all the following: (i) all copyrights under the laws of the United States or any other country (whether or not the underlying works of authorship have been published), all registrations and recordings thereof, all copyrightable works of authorship (whether or not published), and all applications for copyrights under the laws of the United States or any other country, including registrations, recordings and applications in the United States Copyright Office or in any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof, including those described in Schedule 1 to any Copyright Security Agreement, (ii) all renewals of any of the foregoing, (iii) all claims for, and rights to sue for, past or future infringements of any of the foregoing and (iv) all income, royalties, damages and payments now or hereafter due or payable with respect to any of the foregoing, including damages and payments for past or future infringements thereof.

"**Copyright Security Agreement**" means a Copyright Security Agreement, substantially in the form of Exhibit B, executed and delivered by a Grantor in favor of the Collateral Agent for the benefit of the Secured Parties.

"**Deposit Account Control Agreement**" means, with respect to any Deposit Account of any Grantor, a Deposit Account Control Agreement in a form reasonably acceptable to the Collateral Agent among such Grantor, the Collateral Agent and the relevant Depositary Bank.

"**Depositary Bank**" means a bank at which a Controlled Deposit Account is maintained.

"**Equity Interest**" means Capital Stock; provided, however, that "Equity Interests" does not include any debt security that is convertible into, or exchangeable for, (x) Capital Stock or (b) Capital Stock and/or cash based on the value of such Capital Stock).

"**Grantors**" means the Issuer and the Guarantors.

"**Guarantors**" has the meaning set forth in the Indenture.

"**Holder**" or "**Holders**" has the meaning set forth in the Indenture.

"**IIA Approval**" means the approval of the Israel Innovation Authority granted in connection with the transactions contemplated by the Note Documents.

"**IIA-Funded Know-How**" means the Intellectual Property forming part of the Collateral that was developed with the support of the Israeli Innovation Authority, including any rights derived therefrom.

"**IIA Restrictions**" means the following restrictions under Israeli law:

(a) the grant of a security interest in any IIA-Funded Know-How will require and will be subject to the approval of the Israeli Innovation Authority and to the execution and delivery by the Israeli Security Trustee or the Trustee on behalf of the Holders, as applicable, of an undertaking towards the Israeli Innovation Authority, in the form requested by the Israeli Innovation Authority, prior to the creation of such security interest;

(b) any enforcement of a security interest in IIA-Funded Know-How, including the sale, assignment or license of the IIA-Funded Know-How and its transfer within the framework of enforcement procedures under the Note Documents, will require and be subject to the approval of the Israeli Innovation Authority and to the conditions of the IIA Approval and the provisions of the Research Law; and

(c) any enforcement of a security interest in IIA-Funded Know-How will be subject to the receipt of an undertaking of the grantee, potential buyer or any other transferee to assume the applicable obligations in respect of such IIA-Funded Know-How in accordance with the Research Law and in accordance with the terms of the program pursuant to which grants were provided to the applicable Israeli Grantor.

"**Indenture**" has the meaning assigned to such term in the recitals of this Agreement.

"**Intellectual Property**" means any and all intellectual property and proprietary rights of any Grantor of every kind and nature now owned or hereafter acquired by any Grantor, including inventions, designs, Patents, Copyrights, Licenses, Trademarks, trade secrets, confidential or proprietary technical and business information, know-how, improvements, data, software and databases and all embodiments or fixations thereof and related documentation, registrations and applications for registrations, and all additions, improvements and accessions to, and books and records describing or used in connection with, any of the foregoing.

"**Intellectual Property Filing**" means (i) with respect to any Patent, Patent License, Trademark or Trademark License, the filing of the applicable Patent Security Agreement or Trademark Security Agreement with the United States Patent and Trademark Office, together with an appropriately completed recordation form, and (ii) with respect to any Copyright or Copyright License, the filing of the applicable Copyright Security Agreement with the United States Copyright Office, together with an appropriately completed recordation form, in each case sufficient to record the Transaction Lien granted to the Collateral Agent in such Intellectual Property.

"**Intellectual Property Security Agreement**" means a Copyright Security Agreement, a Patent Security Agreement or a Trademark Security Agreement.

"**Israeli Grantor**" means Protalix Ltd., a limited company organized under the laws of the State of Israel, and each other Grantor that is organized under the laws of the State of Israel.

"**Israeli Innovation Authority**" means the Israeli National Authority for Technological Innovation (formerly known as the Office of the Chief Scientist of the Israeli Ministry of the Economy), or any successor governmental authority.

“**Israeli Security Trustee**” means Altshuler Shaham Trusts Ltd., in its capacity as Security Trustee under the Israeli law governed Security Documents.

“**Issuer Control Agreement**” means an Issuer Control Agreement substantially in the form of Exhibit F.

“**License**” means any Patent License, Trademark License, Copyright License or other license or sublicense agreement relating to Intellectual Property to which any Grantor is a party.

“**Material Commercial Tort Claim**” means a Commercial Tort Claim involving a claim for more than $500,000.

“**Note Documents**” has the meaning set forth in the Indenture.

“**Officer**” means the Chairman of the Board, the Vice Chairman, the Chief Executive Officer, the President, the Chief Financial Officer, any Executive Vice President, any Senior Vice President, any Vice President, the Chief Accounting Officer, the Treasurer or the Secretary of the Company or any Guarantor, as applicable.

“**Officers’ Certificate**” means a written certificate signed in the name of the Grantor by any two Officers, and delivered to the Collateral Agent.

“**Opinion of Counsel**” means a written opinion of legal counsel (who may be counsel to a Grantor or other counsel, in either case satisfactory to the Collateral Agent) addressed and delivered to the Collateral Agent.

“**Original Grantor**” means any Grantor that grants a Lien on any of its assets hereunder on the Effective Date.

“**own**” refers to the possession of sufficient rights in property to grant a security interest therein as contemplated by UCC Section 9-203, and “**acquire**” refers to the acquisition of any such rights.

“**Patent License**” means any agreement now or hereafter in existence granting to any Grantor, or pursuant to which any Grantor grants to any other Person, any right with respect to any Patent or any invention, whether patentable or not, now or hereafter in existence, including any agreement identified in Schedule 1 to any Patent Security Agreement.

“**Patents**” means (i) all patents of the United States or any other country and all applications for patents of the United States or any other country, including applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof, including those described in Schedule 1 to any Patent Security Agreement, (ii) all reissues, reexaminations, divisions, continuations, continuations-in-part, revisions and extensions of any of the foregoing, (iii) all claims for, and rights to sue for, past or future infringements of any of the foregoing and (iv) all income, royalties, damages and payments now or hereafter due or payable with respect to any of the foregoing, including damages and payments for past or future infringements thereof.

"**Patent Security Agreement**" means a Patent Security Agreement, substantially in the form of Exhibit C, executed and delivered by a Grantor in favor of the Collateral Agent for the benefit of the Secured Parties.

"**Perfection Certificate**" means, with respect to any Grantor, a certificate substantially in the form of Exhibit E, completed and supplemented with the schedules contemplated thereby, and signed by an officer of such Grantor.

"**Permitted Liens**" means (i) the Transaction Liens and (ii) any other Liens on the Collateral permitted to be created or assumed or to exist pursuant to Section 4.16 of the Indenture.

"**Personal Property Collateral**" means all property included in the Collateral except Real Property Collateral.

"**Pledged**", when used in conjunction with any type of asset, means at any time an asset of such type that is included (or that creates rights that are included) in the Collateral at such time. For example, "Pledged Equity Interest" means an Equity Interest that is included in the Collateral at such time.

"**Post-Petition Interest**" means any interest that accrues after the commencement of any case, proceeding or other action relating to the bankruptcy, insolvency or reorganization of any one or more of the Grantors (or would accrue but for the operation of applicable bankruptcy or insolvency laws), whether or not such interest is allowed or allowable as a claim in any such proceeding.

"**Proceeds**" means all proceeds of, and all other profits, products, rents or receipts, in whatever form, arising from the collection, sale, lease, exchange, assignment, licensing or other disposition of, or other realization upon, any Collateral, including all claims of the relevant Grantor against third parties for loss of, damage to or destruction of, or for proceeds payable under, or unearned premiums with respect to, policies of insurance in respect of, any Collateral, and any condemnation or requisition payments with respect to any Collateral.

"**Real Property Collateral**" means all real property (including leasehold interests in real property) included in the Collateral.

"**Recordable Intellectual Property**" means (i) any Patent registered with the United States Patent and Trademark Office, and any Patent License with respect to a Patent so registered, (ii) any Trademark registered with the United States Patent and Trademark Office, and any Trademark License with respect to a Trademark so registered, (iii) any Copyright registered with the United States Copyright Office and any Copyright License with respect to a Copyright so registered and (iv) all rights in, to or under any of the foregoing.

"**Research Law**" means the Israeli Encouragement of Research, Development and Technological Innovation in Industry Law, 5744-1984 and the regulations, rules, circulars and guidelines promulgated or published thereunder.

"**Secured Agreement**", when used with respect to any Secured Obligation, refers collectively to each instrument, agreement or other document that sets forth obligations of the Issuer, obligations of a guarantor and/or rights of the holder with respect to such Secured Obligation.

"**Secured Obligations**" means (i) all the principal of, premium on, if any, and interest on (including Post-Petition Interest) all Notes outstanding from time to time under the Indenture and (ii) all other amounts now or hereafter payable by the Issuer or any Guarantor pursuant to the Note Documents.

"**Secured Parties**" means the Trustee, the Collateral Agent and the Holders.

"**Security Agreement Supplement**" means a Security Agreement Supplement, substantially in the form of Exhibit A, signed and delivered to the Collateral Agent for the purpose of adding a Subsidiary as a party hereto pursuant to Section 21 and/or adding additional property to the Collateral.

"**Trademark License**" means any agreement now or hereafter in existence granting to any Grantor, or pursuant to which any Grantor grants to any other Person, any right to use any Trademark, including any agreement identified in Schedule 1 to any Trademark Security Agreement.

"**Trademarks**" means: (i) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos, brand names, domain names, rights of publicity, trade dress, prints and labels on which any of the foregoing have appeared or appear, package and other designs, and all other source or business identifiers, and all general intangibles of like nature, and the rights in any of the foregoing which arise under applicable law, (ii) the goodwill of the business symbolized thereby or associated with each of them, (iii) all registrations and applications for registration in connection therewith, including registrations and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof, including those described in Schedule 1 to any Trademark Security Agreement, (iv) all renewals of any of the foregoing, (v) all claims for, and rights to sue for, past or future infringements of any of the foregoing and (vi) all income, royalties, damages and payments now or hereafter due or payable with respect to any of the foregoing, including damages and payments for past or future infringements thereof.

“**Trademark Security Agreement**” means a Trademark Security Agreement, substantially in the form of Exhibit D, executed and delivered by a Grantor in favor of the Collateral Agent for the benefit of the Secured Parties.

“**Transaction Liens**” means the Liens granted by the Grantors under this Agreement.

“**UCC**” means the Uniform Commercial Code as in effect from time to time in the State of New York; *provided* that, if perfection or the effect of perfection or non-perfection or the priority of any Transaction Lien on any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than New York, “UCC” means the Uniform Commercial Code as in effect from time to time in such other jurisdiction for purposes of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority.

SECTION 2. *[Reserved.]*

SECTION 3. *Grant of Transaction Liens*.

(a) The Issuer, in order to secure the payment or performance of the Secured Obligations, and each Guarantor listed on the signature pages hereof, in order to secure its Note Guarantee, grants to the Collateral Agent for the ratable benefit of the Secured Parties a security interest in all the following property of the Issuer or such Guarantor, as the case may be, whether now owned or existing or hereafter acquired or arising and regardless of where located:

(i) all Accounts;

(ii) all Chattel Paper;

(iii) all cash and Deposit Accounts;

(iv) all Documents;

(v) all Equipment;

(vi) all General Intangibles (including (x) any Equity Interests in other Persons that do not constitute Investment Property and (y) any Intellectual Property);

(vii) all Instruments;

(viii) all Inventory;

(ix) all Investment Property;

(x) the Commercial Tort Claims described in Schedule 3;

(xi) all Letter-of-Credit Rights;

(xii) all Goods not otherwise described above;

(xiii) all books and records (including customer lists, credit files, computer programs, printouts and other computer materials and records) of such Grantor pertaining to any of its Collateral;

(xiv) such Grantor's ownership interest in (1) its Controlled Deposit Accounts, (2) all Financial Assets credited to its Controlled Deposit Accounts from time to time and all Security Entitlements in respect thereof, (3) all cash held in its Controlled Deposit Accounts from time to time and (4) all other money in the possession of the Collateral Agent; and

(xv) to the extent not otherwise included, all Proceeds of the Collateral described in the foregoing clauses (i) through (xiv) (all of the above, the "Collateral");

provided that the following property is excluded from the foregoing security interests: (A) motor vehicles the perfection of a security interest in which is excluded from the Uniform Commercial Code in the relevant jurisdiction, (B) any United States "intent-to-use" Trademark application prior to the filing of a "Statement of Use" or "Amendment to Allege Use" with respect thereto, to the extent, if any, that, and solely during the period, if any, in which, the grant of a security interest therein would impact the validity or enforceability of such application under applicable federal law, (C) any permit or license or any contractual obligation entered into by a Grantor that prohibits or requires the consent of any Person other than the Issuer or any of its subsidiaries as a condition to the creation by such Grantor of a Lien on any right, title or interest in such permit, license or contractual agreement, except to the extent such prohibition or consent requirement is ineffective under applicable law, (D) any property to the extent that the grant of a security interest therein is prohibited by any applicable law or regulation, requires a consent not obtained of any governmental authority pursuant to any applicable law or regulation, or is prohibited by, or constitutes a breach or default under or results in the termination of or requires any consent not obtained under, any contract, license, agreement, instrument or other document evidencing or giving rise to such property or, in the case of any Investment Property, any applicable shareholder or similar agreement, except to the extent that such law or regulation or the term in such contract, license, agreement, instrument or other document or shareholder or similar agreement providing for such prohibition, breach, default or termination or requiring such consent is ineffective under applicable law and (E) those assets as to which the Collateral Agent and the Issuer shall reasonably determine, in writing, that the cost or other consequence of obtaining a lien thereon or perfection thereof are excessive in relation to the benefit to the Secured Parties of the security to be afforded thereby. Each Grantor shall upon request of the Collateral Agent use all reasonable efforts to obtain any such required consent that is reasonably obtainable. Notwithstanding anything herein to the contrary, the parties acknowledge and agree that the "Collateral" of any Israeli Grantor shall only include Intellectual Property registered in the United States of America; *provided* that in respect of any such Collateral constituting IIA-Funded Know-How, the creation of any security interest over such Collateral and any enforcement thereof shall be (x) subject to the IIA Restrictions (including the Research Law and the IIA Approval) and (y) separately governed by the laws of the State of Israel and subject to the exclusive jurisdiction of the Israeli courts. Notwithstanding anything contained herein or in any other Note Document to the contrary, in no event shall the Collateral Agent be deemed to have been granted a security interest in, nor shall the Collateral Agent have any obligations with respect to or liability in connection with, any Collateral constituting IIA-Funded Know-How Collateral. In furtherance of, and without limiting the generality of the foregoing, in no event shall the Collateral Agent have any obligations with respect to, or liability for, any Collateral governed by the laws of the State of Israel and/or located (and in the case of any Intellectual Property constituting Collateral, registered) in the State of Israel.

(b) With respect to each right to payment or performance included in the Collateral from time to time, the Transaction Lien granted therein includes a continuing security interest in (i) any Supporting Obligation that supports such payment or performance and (ii) any Lien that (x) secures such right to payment or performance or (y) secures any such Supporting Obligation.

(c) The Transaction Liens are granted as security only and shall not subject the Collateral Agent or any other Secured Party to, or transfer or in any way affect or modify, any obligation or liability of any Grantor with respect to any of the Collateral or any transaction in connection therewith.

SECTION 4. *General Representations and Warranties*. Each Grantor represents and warrants that:

(a) Such Grantor is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization.

(b) With respect to each Original Grantor, Schedule 1 lists all Equity Interests in Subsidiaries and Affiliates owned by such Grantor as of the Effective Date. Such Grantor holds all such Equity Interests directly (*i.e.*, not through a Subsidiary, a Securities Intermediary or any other Person).

(c) With respect to each Original Grantor, Schedule 2 lists, as of the Effective Date, (i) all Securities owned by such Grantor (except Securities evidencing Equity Interests in Subsidiaries and Affiliates) and (ii) all Securities Accounts to which Financial Assets are credited in respect of which such Grantor owns Security Entitlements.

(d) All Pledged Equity Interests owned by such Grantor are owned by it free and clear of any Lien other than (i) the Transaction Liens and (ii) any Permitted Liens. All shares of capital stock of wholly-owned Subsidiaries of a Grantor organized in the United States, any State thereof or the District of Columbia included in such Pledged Equity Interests (including shares of capital stock in respect of which such Grantor owns a security entitlement) have been duly authorized and validly issued and are fully paid and non-assessable.

(e) Such Grantor has good and marketable title to all its Collateral (subject to exceptions that are, in the aggregate, not material), free and clear of any Lien other than Permitted Liens.

(f) After the Effective Date, no Collateral owned by such Grantor will be in the possession or under the Control of any other Person having a claim thereto or security interest therein, other than a Permitted Lien.

(g) The Transaction Liens on all Personal Property Collateral owned by such Grantor (i)have been validly created, (ii)will attach to each item of such Collateral on the Effective Date (or, if such Grantor first obtains rights thereto on a later date, on such later date) and (iii)when so attached, will secure all the Secured Obligations or such Grantor's Note Guarantee, as the case may be.

(h) Such Grantor has delivered a Perfection Certificate to the Collateral Agent. With respect to each Original Grantor, information set forth therein is correct and complete in all material respects as of the Effective Date.

(i) When UCC financing statements describing the Personal Property Collateral as "all personal property" have been filed in the offices specified in such Perfection Certificate, the Transaction Liens will constitute perfected security interests in the Personal Property Collateral owned by such Grantor to the extent that a security interest therein may be perfected by filing pursuant to the UCC, prior to all Liens and rights of others therein except Permitted Liens. When, in addition to the filing of such UCC financing statements, the applicable Intellectual Property Filings have been made with respect to such Grantor's Recordable Intellectual Property (including any future filings required pursuant to Sections 5(a) and 6(a)), the Transaction Liens will constitute perfected security interests in all right, title and interest of such Grantor in its Recordable Intellectual Property to the extent that security interests therein may be perfected by such filings, prior to all Liens and rights of others therein except Permitted Liens. Except for (i) the filing of such UCC financing statements, (ii) the filing, in the case of any Israeli Grantor, of this Agreement with the Israeli Registrar of Companies, and (iii) such Intellectual Property Filings, no registration, recordation or filing with any governmental body, agency or official is required in connection with the execution or delivery of this Agreement or is necessary for the validity or enforceability thereof or for the perfection or due recordation of the Transaction Liens or for the enforcement of the Transaction Liens. Notwithstanding anything herein to the contrary, no Israeli Grantor shall be required to perfect any security interest or Transaction Lien, or record any notice thereof, in any Intellectual Property registered in any jurisdiction other than Intellectual Property registered in the United States of America.

(j) As of the date hereof, Schedules 11(a), 11(b) and 11(c) to the Perfection Certificate sets forth a true and accurate list of (i) all registrations of and applications for Patents, Trademarks, and Copyrights owned by any Grantor and (ii) all Copyright Licenses pursuant to which any Grantor is granted an exclusive license to one or more registered United States Copyrights that are identified in such Copyright License.

(k) With respect to all Intellectual Property listed on Schedules 11(a), 11(b) and 11(c) to the Perfection Certificate that is owned by a Grantor, except as could not reasonably be expected to have a Material Adverse Effect, such Grantor is the owner of the entire right, title, and interest in and to such Intellectual Property, free and clear of all Liens (other than Permitted Liens). To the knowledge of such Grantor, such Grantor owns or is validly licensed to use all other Intellectual Property necessary for the conduct of its business as currently conducted, free and clear of all Liens (other than Permitted Liens), except as would not reasonably be expected to have a Material Adverse Effect.

(l) All registrations and applications for Copyrights, Patents and Trademarks included in the Collateral are standing in the name of a Grantor and are subsisting and in full force and effect, and to such Grantor's knowledge, valid and enforceable, except as would not reasonably be expected to have a Material Adverse Effect.

(m) No holding, decision, or judgment has been rendered in any action or proceeding against any Grantor before any court, administrative or other governmental authority, challenging the validity or enforceability of any Intellectual Property included in the Collateral, or such Grantor's right to register, own or use such Intellectual Property, and no such action or proceeding against such Grantor is pending or, to the Grantors' knowledge, threatened in writing, except as would not reasonably be expected to have a Material Adverse Effect.

(n) With respect to each Copyright License, Trademark License, Patent License, and Trade Secret License to which any Grantor is a party: (i) such agreement constitutes a legal, valid and binding obligation of such Grantor and represents the entire agreement between the respective licensor and licensee with respect to the subject matter of such license; (ii) such Grantor has not received any written notice of termination or cancellation under such license; (iii) such Grantor has not received any written notice of a breach or default under such license, which breach or default has not been cured; and (iv) such Grantor is not in breach or default, and no event has occurred that, with notice and/or lapse of time, would constitute such a breach or default or otherwise permit termination, modification or acceleration under such agreement, except as would not reasonably be expected to have a Material Adverse Effect.

(o) Each Grantor has taken commercially reasonable steps to protect in all material respects: (i) the confidentiality of all Intellectual Property owned by such Grantor the value of which to such Grantor is contingent upon maintaining the confidentiality thereof and (ii) its interest in its material Intellectual Property owned by such Grantor.

SECTION 5. *Further Assurances; General Covenants*. So long as any of the Secured Obligations (other than contingent indemnification obligations) remain unsatisfied, each Grantor covenants as follows:

(a) Such Grantor will, from time to time, at the Issuer's expense, execute, deliver, file and record any statement, assignment, instrument, document, agreement or other paper and take any other action (including any Intellectual Property Filing) that from time to time may be necessary or commercially reasonable, or that the Collateral Agent may reasonably request, in order to:

(i) create, preserve, perfect, confirm or validate the Transaction Liens on such Grantor's Collateral;

(ii) in the case of Pledged Deposit Accounts, Pledged Investment Property and Pledged Letter-of-Credit Rights, cause the Collateral Agent to have Control thereof;

(iii) enable the Collateral Agent and the other Secured Parties to obtain the contractual benefits of this Agreement; or

(iv) enable the Collateral Agent to exercise and enforce any of its rights, powers and remedies with respect to any of such Grantor's Collateral.

Such Grantor authorizes the Collateral Agent, without any obligation, to execute and file such financing statements or continuation statements in such jurisdictions with such descriptions of collateral (including "all assets" or "all personal property" or other words to that effect) and other information set forth therein as the Collateral Agent may reasonably deem necessary or desirable for the purposes set forth in the preceding sentence. Each Grantor also ratifies its authorization for the Collateral Agent to file in any such jurisdiction any initial financing statements or amendments thereto if filed prior to the date hereof. The Collateral Agent is further authorized to file with the United States Patent and Trademark Office or United States Copyright Office (or any successor office or any similar office in any other country) such documents as may be necessary or advisable for the purpose of perfecting, confirming, continuing, enforcing or protecting the security interests granted by each Grantor, without the signature of any Grantor, and naming any Grantor or the Grantors as debtors and the Collateral Agent as secured party. The Issuer will pay the actual and documented costs of, or reasonably incidental to, any Intellectual Property Filings and any recording or filing of any financing or continuation statements or other documents recorded or filed pursuant hereto.

(b) Such Grantor will not (i) change its name or organizational form or structure, (ii) change its location (determined as provided in UCC Section 9-307) or (iii)become bound, as provided in UCC Section 9 203(d) or otherwise, by a security agreement entered into by another Person, unless it shall have given the Collateral Agent prior notice thereof.

(c) Such Grantor will, promptly upon request, provide to the Collateral Agent all information and evidence concerning such Grantor's Collateral that the Collateral Agent may reasonably request from time to time to enable it to enforce the provisions of this Agreement.

(d) Such Grantors shall (i) each year, at the time of delivery of annual financial statements with respect to the preceding fiscal year pursuant to Section 4.03 of the Indenture, deliver to the Collateral Agent an updated Perfection Certificate signed by an officer of such Grantor and (ii) not later than 15 calendar days following the end of each fiscal quarter, deliver to the Collateral Agent updated Schedules 11(a), (b) and (c) of the Perfection Certificate dated as of the date hereof.

SECTION 6. *Intellectual Property*. Each Grantor covenants as follows:

(a) If such Grantor, at any time after the date hereof, obtains any ownership or other rights in and to any additional Intellectual Property, then the provisions of this Agreement shall automatically apply thereto and any such Intellectual Property shall automatically constitute Collateral and shall be subject to the security interest created by this Agreement, without further action by any party (except as expressly set forth in Section 3 hereof). Further, Schedules 11(a), 11(b) and 11(c) to the Perfection Certificate shall be amended or deemed to be amended to include any applications or registrations for Patents, Trademarks and Copyrights included in the Collateral (but the failure to so amend shall not be deemed to affect the Collateral Agent's security interest in or lien upon such Intellectual Property).

(b) On the Effective Date (in the case of an Original Grantor) or the date on which it signs and delivers its first Security Agreement Supplement (in the case of any other Grantor), such Grantor will sign and deliver to the Collateral Agent Intellectual Property Security Agreements with respect to all Recordable Intellectual Property then owned by it. Such Grantor will also promptly make and execute all other Intellectual Property Filings necessary to record, not later than 30 calendar days following the end of each fiscal quarter, the Transaction Liens on such Recordable Intellectual Property in connection with any Intellectual Property over which the Collateral Agent does not have a perfected Lien.

(c) Such Grantor will notify the Collateral Agent promptly if it knows that any registration or application for registration relating to any material Recordable Intellectual Property owned or licensed by it may become abandoned or dedicated to the public, or of any adverse determination or development (including the institution of, or any adverse determination or development in, any proceeding in the United States Copyright Office, the United States Patent and Trademark Office or any court) regarding such Grantor's ownership of or right to use such Recordable Intellectual Property, its right to register or patent the same, or its right to keep and maintain the same.

(d) Such Grantor shall not take any act or omit to take any commercially reasonable act whereby any material Intellectual Property included in the Collateral may be abandoned, forfeited, dedicated to the public, invalidated, lapse or materially impaired in any way other than in the ordinary course of business or as consistent with such Grantor's past practice.

(e) Such Grantor shall not grant any exclusive license to any third party of any material Intellectual Property included in the Collateral that would materially detract from the value of the Collateral (taking into account the value of the license as well) or materially interfere with the ordinary course of business of any Grantor, other than in the ordinary course of business.

(f) Such Grantor shall take all actions reasonably necessary or advisable, or otherwise reasonably requested by the Collateral Agent, to maintain and pursue each application, to obtain the relevant registration and to maintain the registration of each of the Recordable Intellectual Property (now or hereafter existing) material to the conduct of such Grantor's business, including the filing of applications for renewal, affidavits of use and, if consistent with good business judgment, to initiate opposition, interference, inter partes and post-grant review proceedings against third parties.

(g) Upon the occurrence and during the continuance of an Event of Default, at the request of the Collateral Agent, each Grantor shall use its commercially reasonable efforts to obtain all requisite consents or approvals by the licensor of each Copyright License, Patent License, Trademark License or any other License under which such Grantor is a licensee to effect the assignment of all such Grantor's right, title and interest thereunder to the Collateral Agent, for the ratable benefit of the Secured Parties, or its designee.

SECTION 7. *Investment Property*. Each Grantor represents, warrants and covenants as follows:

(a) *Certificated Securities*. On the Effective Date (in the case of an Original Grantor) or the date on which it signs and delivers its first Security Agreement Supplement (in the case of any other Grantor), such Grantor will deliver to the Collateral Agent as Collateral hereunder all certificates representing Pledged Certificated Securities then owned by such Grantor. Thereafter, whenever such Grantor acquires any other certificate representing a Pledged Certificated Security, such Grantor will promptly deliver such certificate to the Collateral Agent as Collateral hereunder.

(b) *Uncertificated Securities*. On the Effective Date (in the case of an Original Grantor) or the date on which it signs and delivers its first Security Agreement Supplement (in the case of any other Grantor), such Grantor will enter into (and cause the relevant issuer to enter into) an Issuer Control Agreement in respect of each Pledged Uncertificated Security then owned by such Grantor and deliver such Issuer Control Agreement to the Collateral Agent (which, if satisfactory to the Collateral Agent, shall enter into the same). Thereafter, whenever such Grantor acquires any other Pledged Uncertificated Security, such Grantor will enter into (and cause the relevant issuer to enter into) an Issuer Control Agreement in respect of such Pledged Uncertificated Security and deliver such Issuer Control Agreement to the Collateral Agent (which, if satisfactory to the Collateral Agent, shall enter into the same).

(c) *Perfection as to Certificated Securities*. When such Grantor delivers the certificate representing any Pledged Certificated Security owned by it to the Collateral Agent and complies with Section 13(h) in connection with such delivery, (i)the Transaction Lien on such Pledged Certificated Security will be perfected, subject to no prior Liens or rights of others, (ii)the Collateral Agent will have Control of such Pledged Certificated Security and (iii)the Collateral Agent will be a protected purchaser (within the meaning of UCC Section 8-303) thereof.

(d) *Perfection as to Uncertificated Securities*. When such Grantor, the Collateral Agent and the issuer of any Pledged Uncertificated Security owned by such Grantor enter into an Issuer Control Agreement with respect thereto, (i)the Transaction Lien on such Pledged Uncertificated Security will be perfected, subject to no prior Liens or rights of others, (ii)the Collateral Agent will have Control of such Pledged Uncertificated Security and (iii)the Collateral Agent will be a protected purchaser (within the meaning of UCC Section 8-303) thereof.

(e) *Delivery of Pledged Certificates*. All certificates representing Pledged Certificated Securities, when delivered to the Collateral Agent, will be in suitable form for transfer by delivery, or accompanied by duly executed instruments of transfer or assignment in blank, with signatures appropriately guaranteed (to the extent required by applicable law), all in form and substance reasonably satisfactory to the Collateral Agent.

(f) *Certification of Limited Liability Company and Partnership Interests*. To the extent any interest in a limited liability company or partnership organized in the United States, any State thereof or the District of Colombia and controlled by any Grantor that is required to be pledged pursuant to the terms hereof or pursuant to the terms of the Indenture is certificated or becomes certificated, each such certificate shall be delivered to the Collateral Agent pursuant to Section 7(a) and such Grantor shall fulfill all other requirements under Section 7 applicable in respect thereof.

SECTION 8. *Deposit Accounts*. Each Grantor represents, warrants and covenants as follows:

(a) On and after the date that is 30 days following the date hereof, all cash owned by such Grantor will be deposited, upon or promptly after the receipt thereof, in one or more Controlled Deposit Accounts, other than (i) non U.S. Deposit Accounts and (ii) Deposit Accounts exclusively used for (A) payroll, payroll taxes and other employee wage and benefit payments to or for any Grantor's or its Subsidiaries' employees, (B) health-savings accounts and worker's compensation accounts, (C) trust accounts (to the extent no funds are held therein other than amounts held therein in trust in the ordinary course of business on behalf of third parties that are not Loan Parties or Affiliates of Loan Parties) and (D) zero balance accounts used in the ordinary course of business.

(b) In respect of each Controlled Deposit Account, the Depositary Bank’s jurisdiction (determined as provided in UCC Section 9-304) will at all times be a jurisdiction in which Article 9 of the Uniform Commercial Code is in effect.

(c) So long as the Collateral Agent has Control of a Controlled Deposit Account, the Transaction Lien on such Controlled Deposit Account will be perfected, subject to no prior Liens other than Permitted Liens.

(d) *Materiality Exception*. The Grantors have the right not to comply with the foregoing provisions of this Section with respect to Deposit Accounts having total collected balances that do not at any time exceed $500,000 in the aggregate for all Grantors.

SECTION 9. *[Reserved.]*

SECTION 10. *Commercial Tort Claims*. Each Grantor represents, warrants and covenants as follows:

(a) In the case of an Original Grantor, Schedule 3 accurately describes, with the specificity required to satisfy Official Comment 5 to UCC Section 9-108, each Material Commercial Tort Claim with respect to which such Original Grantor is the claimant as of the Effective Date. In the case of any other Grantor, Schedule 3 to its first Security Agreement Supplement will accurately describe, with the specificity required to satisfy said Official Comment 5, each Material Commercial Tort Claim with respect to which such Grantor is the claimant as of the date on which it signs and delivers such Security Agreement Supplement.

(b) If any Grantor acquires a Material Commercial Tort Claim after the Effective Date (in the case of an Original Grantor) or the date on which it signs and delivers its first Security Agreement Supplement (in the case of any other Grantor), such Grantor will promptly sign and deliver to the Collateral Agent a Security Agreement Supplement granting a security interest in such Commercial Tort Claim (which shall be described therein with the specificity required to satisfy said Official Comment 5) to the Collateral Agent for the benefit of the Secured Parties.

SECTION 11. *Transfer Of Record Ownership*. At any time when an Event of Default shall have occurred and be continuing, the Collateral Agent may (and to the extent that action by it is required, the relevant Grantor, if reasonably directed to do so by the Collateral Agent, will as promptly as practicable) cause each of the Pledged Securities (or any portion thereof specified in such direction) to be transferred of record into the name of the Collateral Agent or its nominee. Each Grantor will take any and all actions reasonably requested by the Collateral Agent to facilitate compliance with this Section. If the provisions of this Section are implemented, Section 7(b) shall not thereafter apply to any Pledged Security that is registered in the name of the Collateral Agent or its nominee. The Collateral Agent will promptly give to the relevant Grantor copies of any notices and other communications received by the Collateral Agent with respect to Pledged Securities registered in the name of the Collateral Agent or its nominee.

SECTION 12. *Right to Vote Securities*. If an Event of Default shall have occurred and be continuing, the Collateral Agent will have the exclusive right to the extent permitted by law to vote, to give consents, ratifications and waivers and to take any other reasonable action with respect to the Pledged Investment Property and the other Pledged Equity Interests, with the same force and effect as if the Collateral Agent were the absolute and sole owner thereof, and each Grantor will take all such reasonable action as necessary or as the Collateral Agent may reasonably request from time to time to give effect to such right.

SECTION 13. *[Reserved.]*

SECTION 14. *Remedies upon Event of Default*. (a) If an Event of Default shall have occurred and be continuing, the Collateral Agent may exercise (or cause its sub-agents to exercise) any or all of the remedies available to it (or to such sub-agents) under this Agreement.

(b) Without limiting the generality of the foregoing, if an Event of Default shall have occurred and be continuing, the Collateral Agent may exercise on behalf of the Secured Parties all the rights of a secured party under the UCC (whether or not in effect in the jurisdiction where such rights are exercised) or other applicable law or in equity with respect to any Personal Property Collateral and, in addition, the Collateral Agent may, without being required to give any notice, except as herein provided or as may be required by mandatory provisions of law, sell or otherwise dispose of the Collateral or any part thereof in one or more parcels at public or private sale, at any exchange, broker's board or at any of the Collateral Agent's offices or elsewhere, for cash, on credit or for future delivery, at such time or times and at such price or prices and upon such other terms as may be commercially reasonable, irrespective of the impact of any such sales on the market price of the Collateral. To the maximum extent permitted by applicable law, any Secured Party may be the purchaser of any or all of the Collateral at any such sale and shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any such public sale, to use and apply all of any part of the Secured Obligations as a credit on account of the purchase price of any Collateral payable at such sale. Upon any sale of Collateral by the Collateral Agent (including pursuant to a power of sale granted by statute or under a judicial proceeding), the receipt of the Collateral Agent or of the officer making the sale shall be a sufficient discharge to the purchaser or purchasers of the Collateral so sold and such purchaser or purchasers shall not be obligated to see to the application of any part of the purchase money paid to the Collateral Agent or such officer or be answerable in any way for the misapplication thereof. Each purchaser at any such sale shall hold the property sold absolutely free from any claim or right on the part of any Grantor, and each Grantor hereby waives (to the extent permitted by law) all rights of redemption, stay or appraisal that it now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted. The Collateral Agent shall not be obliged to make any sale of Collateral regardless of notice of sale having been given. The Collateral Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, upon ten (10) days' prior written notice, be made at the time and place to which it was so adjourned. To the maximum extent permitted by law, each Grantor hereby waives any claim against any Secured Party arising because the price at which any Collateral may have been sold at such a private sale was less than the price that might have been obtained at a public sale, even if the Collateral Agent accepts the first offer received and does not offer such Collateral to more than one offeree. The Collateral Agent may disclaim any warranty, as to title or as to any other matter, in connection with such sale or other disposition, and its doing so shall not be considered adversely to affect the commercial reasonableness of such sale or other disposition.

(c) If the Collateral Agent sells any of the Collateral upon credit, the Grantors will be credited only with payment actually made by the purchaser, received by the Collateral Agent and applied in accordance with Section 15 hereof. In the event the purchaser fails to pay for the Collateral, the Collateral Agent may resell the same, subject to the same rights and duties set forth herein.

(d) Notice of any such sale or other disposition shall be given to the relevant Grantor(s) as (and if) required by Section 17.

(e) At any time after the occurrence and during the continuance of an Event of Default upon the written demand of the Collateral Agent, each Grantor shall execute and deliver to the Collateral Agent an assignment or assignments, in favor of the Collateral Agent or its designee, of such Grantor's right, title, and interest in, to and under the Intellectual Property included in the Collateral in recordable form as applicable, and such other documents as are necessary or appropriate to carry out the intent and purposes hereof.

(f) For the purpose of enabling the Collateral Agent to exercise rights and remedies under this Agreement at such time as the Collateral Agent shall be lawfully entitled to exercise such rights and remedies, each Grantor hereby grants to the Collateral Agent an unlimited irrevocable, worldwide, royalty-free, fully paid-up license and sublicense to use, license or sublicense any of the Collateral consisting of Intellectual Property now owned or hereafter acquired by such Grantor to make, have made, use, sell, copy, distribute, perform, make derivative works, publish, and exploit in any other manner for which an authorization from the owner of such Intellectual Property would be required under applicable law, *provided* that the applicable Grantor shall have such rights of quality control and inspection which are reasonably necessary under applicable law to maintain the validity and enforceability of Trademarks included in the Collateral. The use of such license by the Collateral Agent may be exercised only upon the occurrence and during the continuation of an Event of Default; *provided*, *however*, that any license, sublicense or other transaction entered into by the Collateral Agent in accordance herewith shall be binding upon each Grantor notwithstanding any subsequent cure of an Event of Default.

(g) The foregoing provisions of this Section shall not apply to Real Property Collateral other than Fixtures as to which such provisions shall apply to the extent such Fixtures are governed by Article 9 of the UCC.

SECTION 15. *Application of Proceeds*. Any cash held in the Controlled Deposit Accounts and the proceeds of any sale or other disposition of all or any part of the Collateral shall be applied in the order specified in Section 6.11 of the Indenture.

SECTION 16. *Fees and Expenses; Indemnification*. (a)The Issuer and the Guarantors will jointly and severally forthwith upon demand pay to the Collateral Agent:

(i) the amount of any taxes that the Collateral Agent may have been required to pay by reason of the Transaction Liens or to free any Collateral from any other Lien thereon;

(ii) the amount of any and all reasonable and documented out-of-pocket expenses, including transfer taxes and reasonable fees and expenses of counsel and other experts, that the Collateral Agent may incur in connection with (x) the administration or enforcement of this Agreement, including such expenses as are incurred to preserve the value of the Collateral or the validity, perfection, rank or value of any Transaction Lien, (y) the collection, sale or other disposition of any Collateral or (z) the exercise by the Collateral Agent of any of its rights or powers under this Agreement or any other Note Document;

(iii) the amount of any fees that the Issuer shall have agreed in writing to pay to the Collateral Agent and that shall have become due and payable in accordance with such written agreement; and

(iv) the amount required to indemnify the Collateral Agent for, or hold it harmless and defend it against, any loss, liability, claim, damage, injuries, penalties, action, suits, judgments, costs or expense (including the reasonable fees and expenses of its counsel and any experts or sub-agents appointed by it hereunder) incurred or suffered by the Collateral Agent in connection with this Agreement or the other Note Documents, except to the extent that such loss, liability or expense arises from the Collateral Agent's gross negligence or willful misconduct as determined by a final judgment issued by a court of competent jurisdiction no longer subject to appeal or review.

(b) If any transfer tax, documentary stamp tax or other tax is payable in connection with any transfer or other transaction provided for in this Agreement, the Issuer will pay such tax and provide any required tax stamps to the Collateral Agent or as otherwise required by law.

(c) The Issuer shall indemnify each of the Secured Parties, their respective affiliates and the respective directors, officers, agents and employees of the foregoing (each an "**Indemnitee**") against, and hold each Indemnitee harmless from, any and all liabilities, losses, damages, costs and expenses of any kind (including reasonable expenses of investigation by engineers, environmental consultants and similar technical personnel and reasonable fees and disbursements of counsel) arising out of, or in connection with any and all Environmental Liabilities. Without limiting the generality of the foregoing, each Grantor waives all rights for contribution and all other rights of recovery with respect to liabilities, losses, damages, costs and expenses arising under or related to Environmental Laws that it might have by statute or otherwise against any Indemnitee.

(d) The obligations of the Issuer under this Section 16 shall survive the termination of this Agreement and the earlier resignation or removal of the Collateral Agent.

SECTION 17. *Authority to Administer Collateral*.

(a) Each Grantor irrevocably appoints the Collateral Agent its true and lawful attorney, with full power of substitution, in the name of such Grantor, any Secured Party or otherwise, for the sole use and benefit of the Secured Parties, but at the Issuer's expense, to the extent permitted by law to exercise, at any time and from time to time while an Event of Default shall have occurred and be continuing, all or any of the following powers with respect to all or any of such Grantor's Collateral:

(i) to demand, sue for, collect, receive and give acquittance for any and all monies due or to become due upon or by virtue thereof,

(ii) to settle, compromise, compound, prosecute or defend any action or proceeding with respect thereto,

(iii) to sell, lease, license or otherwise dispose of the same or the proceeds or avails thereof, as fully and effectually as if the Collateral Agent were the absolute owner thereof, and

(iv) to extend the time of payment of any or all thereof and to make any allowance or other adjustment with reference thereto;

provided that, except in the case of Personal Property Collateral that is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, the Collateral Agent will give the relevant Grantor at least ten days' prior written notice of the time and place of any public sale thereof or the time after which any private sale or other intended disposition thereof will be made. Any such notice shall (i) contain the information specified in UCC Section 9-613, (ii) be Authenticated and (iii) be sent to the parties required to be notified pursuant to UCC Section 9-611(c); *provided* that, if the Collateral Agent fails to comply with this sentence in any respect, its liability for such failure shall be limited to the liability (if any) imposed on it as a matter of law under the UCC.

(b) The foregoing provisions of this Section shall not apply to Real Property Collateral other than Fixtures as to which such provisions shall apply to the extent such Fixtures are governed by Article 9 of the UCC.

SECTION 18. *Limitation on Duty in Respect of Collateral*. Beyond the exercise of reasonable care in the custody and preservation thereof, the Collateral Agent will have no duty as to any Collateral in its possession or control or in the possession or control of any sub-agent or bailee or any income therefrom or as to the preservation of rights against prior parties or any other rights pertaining thereto. To the extent that applicable law imposes duties on the Collateral Agent to exercise remedies in a commercially reasonable manner, the Issuer and each Guarantor acknowledges and agrees that it is commercially reasonable for the Collateral Agent (a) to fail to incur expenses reasonably deemed significant by the Collateral Agent to prepare Collateral for disposition or otherwise to complete raw material or work in process into finished goods or other finished products for disposition, (b) to fail to obtain third party consents for access to Collateral to be disposed of, or to obtain or, if not required by other law, to fail to obtain governmental or third party consents for the collection or disposition of Collateral to be collected or disposed of, (c) to fail to exercise collection remedies against Persons obligated on Collateral or to remove Liens or encumbrances on or any adverse claims against Collateral, (d) to exercise collection remedies against any other Persons obligated on Collateral directly or through the use of collection agencies and other collection specialists, (e) to advertise dispositions of Collateral through publications or media of general circulation, whether or not the Collateral is of a specialized nature, (f) to contact other Persons, whether or not in the same business as the Issuer or any Guarantor, for expressions of interest in acquiring all or any portion of the Collateral, (g) to hire one or more professional auctioneers to assist in the disposition of Collateral, whether or not the collateral is of a specialized nature, (h) to dispose of Collateral by utilizing internet sites that provide for the auction of assets of the types included in the Collateral or that have the reasonable capability of doing so, or that match buyers and sellers of assets, (i) to dispose of assets in wholesale rather than retail markets, (j) to disclaim disposition warranties, including, without limitation, any warranties of title, (k) to purchase insurance or credit enhancements to insure the Collateral Agent against risks of loss, collection or disposition of Collateral, or to provide to the Collateral Agent a guaranteed return from the collection or disposition of Collateral or (l) to the extent deemed reasonable and appropriate by the Collateral Agent, to obtain the services of brokers, investment bankers, consultants and other professionals to assist the Collateral Agent in the collection or disposition of any of the Collateral. The Issuer and each Guarantor acknowledges that the purpose of this Section 18 is to provide non-exhaustive indications of what actions or omissions by the Collateral Agent would be commercially reasonable in the Collateral Agent's exercise of remedies against the Collateral and that other actions or omissions by the Collateral Agent shall not be deemed commercially unreasonable solely on account of not being specifically referred to in this Section 18. Without limitation upon the foregoing, nothing contained in this Section 18 shall be construed to grant any rights to the Company or any Guarantor or to impose any duties on the Collateral Agent that would not have been granted or imposed by this Agreement or by applicable law in the absence of this Section 18.

SECTION 19. *General Provisions Concerning the Collateral Agent*.

(a) The provisions of Article 2.05 of the Indenture shall inure to the benefit of the Collateral Agent, and shall be binding upon all Grantors and all Secured Parties, in connection with this Agreement. Without limiting the generality of the foregoing, (i)the Collateral Agent shall not be subject to any fiduciary or other implied duties, regardless of whether an Event of Default has occurred and is continuing, (ii)the Collateral Agent shall not have any duty to take any discretionary action or exercise any discretionary powers, and (iii) the Collateral Agent shall not have any duty to disclose, and shall not be liable for any failure to disclose, any information relating to any Grantor that is communicated to or obtained by the bank serving as Collateral Agent or any of its Affiliates in any capacity. The Collateral Agent shall not be responsible for the existence, genuineness or value of any Collateral or for the validity, perfection, priority or enforceability of any Transaction Lien, whether impaired by operation of law or by reason of any action or omission to act on its part under this Agreement. The Collateral Agent shall be deemed not to have knowledge of any Event of Default unless and until written notice thereof is given to the Collateral Agent by the Issuer or a Secured Party.

(b) *Information as to Secured Obligations and Actions by Secured Parties*. For all purposes of this Agreement, including determining the amounts of the Secured Obligations and whether a Secured Obligation is contingent in nature or not, or whether any action has been taken under any Secured Agreement, the Collateral Agent will be entitled to rely on information from (i) its own records for information as to the Holders and actions taken by them, (ii) any Secured Party for information as to its Secured Obligations and actions taken by it, to the extent that the Collateral Agent has not obtained information from its own records and (iii) the Issuer, to the extent that the Collateral Agent has not obtained information from the foregoing sources.

(c) *Refusal to Act*. The Collateral Agent may refuse to act on any notice, consent, direction or instruction from any Secured Parties or any agent or similar representative thereof that, in the Collateral Agent's opinion, (i)is contrary to law or the provisions of this Agreement or any other Note Document, (ii)may expose the Collateral Agent to liability, financial or otherwise (unless the Collateral Agent shall have been indemnified, to its reasonable satisfaction, for such liability by the Secured Parties that gave such notice, consent, direction or instruction), (iii) contrary to any law or regulation or (iv) is unduly prejudicial to Secured Parties not joining in such notice, consent, direction or instruction.

(d) In addition to any rights, protections, immunities and indemnities afforded to the Collateral Agent herein, the Collateral Agent shall be afforded the rights, protections, immunities and indemnities that are afforded to it under the Indenture.

SECTION 20. *Termination of Transaction Liens; Release of Collateral*. (a) The Transaction Liens granted by the Issuer and the Guarantors shall terminate pursuant to Section 14.10 of the Indenture.

(b) Notwithstanding anything in the Note Documents to the contrary, at any time before the Transaction Liens granted by the Issuer terminated, the Collateral Agent may, at the written request of the Issuer, (i) release any Collateral (but not all or substantially all the Collateral) with the prior written consent of the Holders of at least a majority of the aggregate principal amount of the Notes then outstanding under the Indenture (including any consents obtained in connection with an exchange offer or tender offer and associated consent solicitation) or (ii) release all or substantially all the Collateral with the consent of Holders of at least 66 and 2/3% in aggregate principal amount of the Notes then outstanding under the Indenture (including any consents obtained in connection with a tender offer or exchange for the Notes).

(c) Upon any termination of a Transaction Lien or release of Collateral, the Collateral Agent will, at the expense of the relevant Grantor and, if requested by the Collateral Agent, upon receipt of an Officers' Certificate and/or Opinion of Counsel (which request, and determination of whether to require an Officer's Certificate and an Opinion of Counsel, shall each be at the sole discretion of the Collateral Agent), each certifying or opining, as applicable, that such release and the execution of documents evidencing such release are authorized and permitted under the Note Documents and all conditions precedent to such release and to the execution of documents evidencing such release have been satisfied, execute and deliver to such Grantor such documents as such Grantor shall reasonably request to evidence the termination of such Transaction Lien or the release of such Collateral, as the case may be.

SECTION 21. *Additional Grantors*. Any Subsidiary may become a party hereto by signing and delivering to the Collateral Agent a Security Agreement Supplement, whereupon such Subsidiary shall become a "Grantor" as defined herein.

SECTION 22. *[Reserved.]*

SECTION 23. *Notices*. Each notice, request or other communication given to any party hereunder shall be given in accordance with Section 15.02 of the Indenture, and in the case of any such notice, request or other communication to a Grantor other than the Issuer, shall be given to it in care of the Issuer.

SECTION 24. *No Implied Waivers; Remedies Not Exclusive*. No failure on the part of the Collateral Agent or any other Secured Party to exercise, and no delay in exercising and no course of dealing with respect to, any right or remedy under this Agreement shall operate as a waiver thereof; nor shall any single or partial exercise by the Collateral Agent or any Secured Party of any such right or remedy under any Note Document preclude any other or further exercise thereof or the exercise of any other right or remedy. The rights and remedies under this Agreement are cumulative and are not exclusive of any other rights or remedies provided by law.

SECTION 25. *Successors and Assigns*. This Agreement is for the benefit of the Collateral Agent and the Secured Parties. If all or any part of any Secured Party's interest in any Secured Obligation is assigned or otherwise transferred, the transferor's rights hereunder, to the extent applicable to the obligation so transferred, shall be automatically transferred with such obligation. This Agreement shall be binding on the Grantors and their respective successors and assigns.

SECTION 26. *Entire Agreement; Amendments and Waivers*. This Agreement contains the entire agreement of the parties with respect to the subject matter hereof and supersedes any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Neither this Agreement nor any provision hereof may be waived, amended, modified or terminated except pursuant to an agreement or agreements in writing entered into by the Grantors and the Collateral Agent with respect to such waiver, amendment, modification or termination.

SECTION 27. *Choice of Law*. This Agreement shall be construed in accordance with and governed by the law of the State of New York, except as otherwise required by mandatory provisions of law and except to the extent that remedies provided by the laws of any jurisdiction other than the State of New York are governed by the laws of such jurisdiction.

SECTION 28. *Submission to Jurisdiction*.

Each of the Issuer and the other Grantors: (a) agrees that any suit, action or proceeding against it arising out of or relating to this Agreement may be instituted in any U.S. federal court with applicable subject matter jurisdiction sitting in The City of New York; (b) waives, to the fullest extent permitted by applicable law, any objection which it may now or hereafter have to the laying of venue of any such suit, action or proceeding, and any claim that any suit, action or proceeding in such a court has been brought in an inconvenient forum; and (c) submits to the nonexclusive jurisdiction of such courts in any suit, action or proceeding.

SECTION 29. *Waiver of Jury Trial*. EACH PARTY HERETO WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

SECTION 30. *Severability*. If any provision of this Agreement is invalid or unenforceable in any jurisdiction, then, to the fullest extent permitted by law, (i) the other provisions of this Agreement shall remain in full force and effect in such jurisdiction and shall be liberally construed in favor of the Collateral Agent and the Secured Parties in order to carry out the intentions of the parties thereto as nearly as may be possible and (ii) the invalidity or unenforceability of such provision in such jurisdiction shall not affect the validity or enforceability thereof in any other jurisdiction.

SECTION 31. *Counterparts*. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement. Delivery by any Grantor of an executed counterpart of a signature page of this Agreement by facsimile or in electronic (i.e., “pdf” or “tif”) format shall be effective as delivery of a manually executed counterpart of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

Issuer:

Protalix BioTherapeutics, Inc.

By: ____________________________
Name:
Title:

Israeli Grantor (solely with respect to the provisions directly relating to the Israeli Grantor's Intellectual Property registered in the United States of America):

Protalix Ltd.

By: ____________________________
Name:
Title:

Collateral Agent:

Wilmington Savings Fund Society, FSB

By: ____________________________
Name:
Title:

Exhibit 10.4

Dated 7 December 2016

BETWEEN

PROTALIX BIOTHERAPEUTICS, INC.

as the Company

AND

ALTSHULER SHAHAM TRUSTS LTD.

as Security Trustee

FORM OF SECURITY AGREEMENT/DEBENTURE

UNLIMITED IN AMOUNT

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THIS SECURITY AGREEMENT/DEBENTURE is made on the 7th day of December 2016

Between:

(1) **PROTALIX BIOTHERAPEUTICS, INC.**, a Delaware corporation (the "**Company**"); and

(2) **ALTSHULTER SHAHAM TRUSTS LTD.**, in its capacity as security trustee for the benefit of the Trustee (as defined in the Indenture (as defined below)) (on behalf of the Holders).

Whereas:

(A) On 7 December 2016, an indenture was entered into among the Company, as Issuer, the Israeli Guarantor and the other Guarantors party thereto, and The Bank of New York Mellon Trust Company, N.A., as Trustee on behalf of the Holders (the "**Trustee**"), and Wilmington Savings Fund Society, FSB, as Collateral Agent, pursuant to which the Company will issue the Notes to the Holders on the terms set forth therein (the "**Indenture**").

(B) The Trustee is the sole beneficiary of the trust established by the Security Trustee in connection with its role as security trustee under this Agreement.

(C) In order to secure the full and punctual payment and performance when due of the obligations of the Company and the Guarantors under the Note Documents, the Company has agreed to charge and pledge the Security Assets in favor of the Security Trustee in accordance with the terms hereof.

(D) All actions, transfers and issuances under this Agreement shall be carried out by the Security Trustee in accordance with a letter of instruction provided by the Trustee to the Security Trustee (the "**Letter of Instruction**"). Any and all actions to be carried out by the Security Trustee under this Agreement will be carried out only following receipt of a Letter of Instruction.

It is agreed as follows:

1. INTERPRETATION

1.1 Definitions

In this Security Agreement/Debenture (this "**Agreement**"), unless the context otherwise requires:

(a) capitalized terms used but not otherwise defined in this Agreement shall have the meanings ascribed to them in the Indenture; and

(b) in addition:

Applicable Law means:

(a) any constitution, treaty, statute, code, law, regulation, ordinance, rule, judgment, rule of law, official order, judicial order, writ, decree, request, approval, concession, grant, franchise, license, directive, guideline, policy, standard, plan or requirement; and

(b) any similar form of decision of, or determination by, or any interpretation or administration of any of the foregoing (whether or not having the force of law) of any governmental authority,

whether in effect as of the date hereof or thereafter and in each case as amended, re-enacted or replaced.

Bankruptcy Law means Title 11, United States Code, or any similar U.S. federal, state or non-U.S. law for the relief of debtors.

Collateral Agent means Wilmington Savings Fund Society, FSB, in its capacity as collateral agent under the Indenture.

Equity Interest means Capital Stock (as defined in the Indenture); provided, however, that "Equity Interests" does not include any debt security that is convertible into, or exchangeable for, (a) Capital Stock or (b) Capital Stock and/or cash based on the value of such Capital Stock).

Event of Default means an Event of Default as set out in Section 6.01 of the Indenture, a copy of which clause is attached for information purposes at Schedule 1 (*Events of Default*) to this Agreement.

Guarantee Law means the Israeli Guarantee Law, 5727-1967.

Israeli Guarantor means Protalix Ltd., a private limited company duly organized under the laws of the State of Israel with company number 51-190328-8 and having its registered office at Snunit 2, Carmiel 2161401, Israel.

NIS means the lawful currency of the State of Israel from time to time.

Payment in Full means when all obligations of the Company and the Guarantors under the Note Documents have been paid in full (other than contingent indemnification and expense reimbursement obligations and tax gross-up or yield protection obligations which, in each case, survive the termination of the Note Documents and in respect of which no claim has been made).

Permitted Liens means (i) the Security Interests created under this Agreement and (ii) any other Security Interests in the Security Assets permitted to be created or assumed or to exist pursuant to Section 4.16 of the Indenture.

Person means any individual, corporation, limited liability company, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof.

Pledges Law means the Israeli Pledges Law, 5727-1967.

Receiver means a receiver, conservator, liquidator, trustee, administrator, custodian, assignee for the benefit of creditors, officer for the implementation of a reorganization process ("*halichei havraa*") or similar Person charged with the reorganization or liquidation of the Company's business.

Related Rights means:

(a) subject to Clause 9 (*Voting Rights, Dividends and Interest*), all payments of principal, and all interest, dividends or other distributions, whether paid or payable in cash, instruments or other property from time to time received, receivable or otherwise distributed in respect of, in exchange for or upon the conversion of, and all other proceeds received in respect of, the Equity Interests in the Israeli Guarantor;

(b) subject to Clause 9 (*Voting Rights, Dividends and Interest*), all other rights and privileges of the Company with respect to the Equity Interests in the Israeli Guarantor; and

(c) all proceeds of any of the foregoing.

Secured Obligations has the meaning given to it in Clause 2 (*Secured Obligations*).

Secured Parties means the Trustee, the Security Trustee, the Collateral Agent and the Holders.

Security Assets means all the assets of the Company from time to time mortgaged, charged or assigned or expressed to be mortgaged, charged or assigned pursuant to this Agreement.

Security Interest means any mortgage, pledge, lien, charge (whether fixed or floating), assignment, hypothecation, deposit arrangement, encumbrance, conditional sale, title retention, preferential right, priority, trust arrangement or security interest or any other agreement or arrangement having a similar effect.

Transaction Security means the Security Interests created or expressed to be created in favor of the Security Trustee for the benefit of the Trustee (on behalf of the Holders) pursuant to this Agreement.

1.2 Construction

(a) Unless a contrary indication appears in this Agreement, the provisions of Section 1.03 of the Indenture shall apply to this Agreement as if set out in full in this Agreement.

(b) The word "asset" shall be construed to refer to any and all present and future Equity Interest in the Israeli Guarantor and Related Rights.

(c) The fact that the details of any assets in the Schedules are incorrect or incomplete shall not affect the validity or enforceability of this Agreement in respect of the assets of the Company.

(d) Headings used in this Agreement are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

2. SECURED OBLIGATIONS

(a) This Agreement secures the due and punctual payment and discharge in full of the obligations of the Company and the Guarantors under the Note Documents when due and payable, without limitation in amount, under the terms of and in the manner provided for in the Note Documents (the "**Secured Obligations**").

(b) The Company acknowledges to the Security Trustee that the amount secured by this Agreement is the full amount of the obligations of the Company and the Guarantors under the Note Documents.

3. CREATION OF FIXED SECURITY

As continuing security for the full and punctual payment or performance when due (whether at stated maturity, acceleration or otherwise) of the Secured Obligations, the Company hereby absolutely and unconditionally charges in favor of the Security Trustee (as security trustee for the benefit of the Trustee (on behalf of the Holders)), by way of first ranking fixed charge and first ranking assignment by way of security:

(a) all of its Equity Interests in the Israeli Guarantor (currently those Equity Interests set forth in Schedule 2 (*Equity Interests*)) together with all Related Rights;

(b) all of its rights to any exemption, relief or discount which may reduce or minimize any tax rate or tax liability or any part thereof (to the extent the Company is entitled to such at the date of the enforcement of the Security Assets) (the "**Tax Reliefs**"); and

(c) its rights to compensation (including under the Property Tax and Compensation Fund Law, 5721-1961), indemnification and any other right that it shall have against any third party for the loss, damage or expiration of the Security Assets or in relation to any Tax Reliefs.

4. RELEASE

Immediately after Payment in Full (but subject to Sections 12.05 and 14.04 of the Indenture), the Security Trustee shall, after having received a Letter of Instruction from the Trustee and at the cost of the Company, execute such notices to any applicable governmental authority as the Company may reasonably require in order to give effect to such release.

5. PROVISIONS RELATING TO TRANSACTION SECURITY

(a) All security created under this Agreement:

(i) is created in favor of the Security Trustee for the benefit of the Trustee (on behalf of the Holders);

(ii) is, to the maximum extent permitted by Applicable Law, created over the present and future Equity Interests in the Israeli Guarantor and Related Rights;

(iii) is a continuing security for the payment, discharge and performance of all of the Secured Obligations, shall extend to the ultimate balance of all sums payable under the Note Documents regardless of any intermediate payment or discharge in whole or in part and shall remain in full force and effect until confirmation in writing by the Security Trustee (not to be unreasonably withheld) that Payment in Full has occurred; and

(iv) is in addition to, is independent of and is not in any way prejudiced or affected by any of the other Note Documents.

(b) The Security Trustee or the Collateral Agent shall not be bound to enforce any other Note Document before enforcing the Security Interests created by this Agreement.

(c) If an amount paid to any Holder under any Note Document is, in the reasonable judgment of the Trustee, capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, the Transaction Security and the liability of the Company under this Agreement shall continue, and such amount will not be considered to have been irrevocably paid for the purposes of this Agreement.

(d) Until Payment in Full, the Company remains liable to observe and perform all conditions and obligations assumed by it in relation to the Security Assets. The Security Trustee is under no obligation to perform or fulfill any such condition or obligation or to make any payment in respect of any such condition or obligation, unless a Letter of Instruction is provided.

(e) The exercise by the Security Trustee of any of the rights or remedies hereunder shall not release the Company from any of its liabilities or obligations under the Note Documents or any other agreement or instrument included in the Security Assets until Payment in Full. For the avoidance of doubt, until Payment in Full, the application of the Security Assets to satisfy part of the Secured Obligations shall not release the Company from its obligation to pay and perform the Secured Obligations in full.

(f) Following an Event of Default and during the continuation thereof, in the event of enforcement by the Security Trustee (acting in accordance with a Letter of Instruction) of any of the Security Assets deposited with it in accordance with the provisions of section 17(3) and 19(a) of the Pledges Law, then seven (7) Business Days advance notice to the Company regarding the steps that the Security Trustee intends to take shall be deemed to be reasonable advance notice for the purpose of section 19(b) of the Pledges Law.

6. RESTRICTION ON DEALINGS

The Company may not:

(a) create or permit to subsist any Security Interest on any of the Security Assets; or

(b) (whether by a single transaction or a number of related or unrelated transactions and whether voluntarily or involuntarily) assign, charge, lease, transfer or otherwise dispose of all or any part of its right, title and interest in and to the Security Assets,

in each case unless expressly permitted to do so under the Note Documents.

7. REPRESENTATIONS AND WARRANTIES

7.1 General representations and warranties

The Company represents and warrants to the Security Trustee for the benefit of the Trustee (on behalf of the Holders) that:

(a) the Company has good and valid rights in and title to the Security Assets with respect to which it has purported to grant the Security Interest hereunder (other than (a) minor defects in title that do not interfere with its ability to (i) conduct its business as currently conducted or as proposed to be conducted or to utilize such properties for their intended purposes or (ii) grant a Security Interest in the Security Assets or (b) as would not reasonably be expected to have a Material Adverse Effect). The Company has full power and authority to grant to the Security Trustee, for the benefit of the Trustee (on behalf of the Holders), the Security Interest in the Security Assets and to execute, deliver and perform its obligations in accordance with the terms of this Agreement, without the consent or approval of any other Person other than (a) any consent or approval that has been obtained and (b) filings necessary to perfect the Security Interests created under this Agreement;

(b) after the date of this Agreement, no Security Asset owned by the Company will be in the possession or under the Control (as such term is defined in the Uniform Commercial Code as in effect from time to time in the State of New York) of any other Person having a claim thereto or Security Interest therein, other than a Permitted Lien;

(c) the Security Assets are free from any Security Interest or option to purchase or similar right (other than as permitted under the Note Documents);

(d) the Company has good and marketable title to all Security Assets (subject to exceptions that are, in the aggregate, not material), free and clear of any Security Interest other than Permitted Liens;

(e) there is no restriction or condition under any law or agreement which is applicable to pledging or charging the Security Assets, and the Company is permitted to charge the Security Assets, except as would not reasonably be expected to have a Material Adverse Effect;

(f) the Transaction Security creates a first ranking Security Interest over the Security Assets and is not subject to any prior ranking or pari passu ranking Security Interest (other than Permitted Liens);

(g) there is no restriction or condition under any law or agreement which is applicable to the transfer or enforcement of the Security Assets, except as would not reasonably be expected to have a Material Adverse Effect;

(h) the Company's signature on this Agreement and the performance of all of its obligations hereunder do not conflict or contradict any ruling, order, directive or instruction of any governmental authority of any kind whatsoever and do not contravene the Company's constitutional documents, except as would not reasonably be expected to have a Material Adverse Effect;

(i) each of the obligations expressed to be assumed by it under this Agreement are legal, valid, binding and enforceable obligations, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law and have been duly authorized by all necessary corporate or other organizational action; and this Agreement has been duly executed and delivered by the Company and constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law;

(j) Schedule 2 (*Equity Interests*) sets forth, as of the Issue Date, a true and complete list of all of the Equity Interests owned by the Company in the Israeli Guarantor;

(k) the Israeli Guarantor is a wholly-owned Subsidiary of the Company, beneficially and of record, and the Equity Interests held by the Company in the Israeli Guarantor are fully paid and nonassessable; and

(l) as of the date of this Agreement, no Event of Default has occurred nor, to the best of the Company's knowledge, have any circumstances occurred which, with the passage of time or following the provision of any notice or warning, shall constitute an Event of Default.

7.2 Times for making representations and warranties

The representations and warranties set out in this Agreement are:

(a) made by the Company on the date of this Agreement; and

(b) (unless expressed to be given at a specific date) deemed to be repeated by the Company on each date prior to Payment in Full on which any of the representations and warranties set out in the Note Documents are repeated,

in each case by reference to the circumstances existing at such time.

8. UNDERTAKINGS

8.1 General Undertakings

The Company hereby undertakes to the Security Trustee for the benefit of the Trustee (on behalf of the Holders) from the date of this Agreement until Payment in Full:

(a) to deliver to the Security Trustee:

  (i) on the Issue Date, all share certificates relating to the Security Assets, together with executed but undated deeds of transfer in respect of all Equity Interests held by the Company in the Israeli Guarantor (in a form reasonably satisfactory to the Security Trustee); and

  (ii) as promptly as practicable and, in any event, within 30 days (or such longer period as the Security Trustee may agree to in writing) after the acquisition thereof, any additional share certificates relating to new Equity Interests held by the Company in the Israeli Guarantor, together with new executed but undated deeds of transfer in respect of such additional Equity Interests (in a form reasonably satisfactory to the Security Trustee;

(b) to the extent the Israeli Guarantor issues any noncash dividends, interest, principal or other distributions that would constitute Security Assets, whether resulting from a subdivision, combination or reclassification of the issued and outstanding Equity Interests in the Israeli Guarantor or received in exchange for Equity Interests in the Israeli Guarantor or any part thereof, or in redemption thereof, or as a result of any merger, consolidation, acquisition or other exchange of assets to which the Israeli Guarantor may be a party or otherwise, such noncash dividends, interest, principal or other distributions shall be and become part of the Security Assets and, if required by the Security Trustee, the Company shall promptly duly execute and deliver a supplement to this Agreement or an additional Security Document in respect of such noncash dividends, interest, principal or other distributions;

(c) to procure that the Security Interests created in favor of the Security Trustee under this Agreement are noted in the register of shareholders of the Israeli Guarantor;

(d) on the Issue Date, to furnish an irrevocable notice to the Israeli Guarantor, countersigned by the Israeli Guarantor, in the form attached as Schedule 3 (*Irrevocable Instructions*) to this Agreement;

(e) not to sell, transfer, assign, lease, borrow, rent, provide or remove from its possession any of the Security Assets or any related right and not to permit any other Person to make use of any Security Asset in any way or provide any other Person an attorney of power or proxy in connection with the Security Assets, in each case, unless permitted to do so under the Note Documents;

(f) the Company shall, at its own expense, use commercially reasonable efforts to defend the Security Interests granted to the Security Trustee in the Security Assets and the priority thereof against any Person asserting any Security Interest not permitted under the Note Documents;

(g) the Security Trustee may discharge past due Taxes, assessments, charges, fees and Security Interests at any time levied or placed on the Security Assets that are not permitted under the Note Documents, and may pay for the maintenance and preservation of the Security Assets to the extent the Company fails to do so as required by this Agreement or the other Note Documents after the Security Trustee has requested in writing that the Company does so and the Company fails to do so within five (5) Business Days, and the Company agrees to reimburse the Security Trustee reasonably promptly on demand for any reasonable payment made or any reasonable expense incurred by the Security Trustee pursuant to the foregoing authorization (and any such payment made or expense waived shall constitute a Secured Obligation); provided, however that nothing in this Clause 8.1(g) shall be interpreted as excusing the Company from the performance of, or imposing any obligation on the Security Trustee to cure or perform, any covenants or other obligations of the Company with respect to Taxes, assessments, charges, fees and Security Interests and maintenance as set forth herein or in the other Note Documents;

(h) the Security Trustee shall not have any responsibility for, or liability for its failure in, observing or performing any obligations to be observed and performed by the Company under any contract, agreement or instrument relating to the Security Assets, and the Company agrees to indemnify and hold harmless the Security Trustee from and against any and all liability for such performance;

(i) upon an Event of Default and after receiving written notice from the Security Trustee (acting in accordance with a Letter of Instruction) with respect thereto, to provide the Security Trustee or a bailee on its behalf the Security Assets, in whole or in part, in accordance with and subject to the provisions of the Note Documents; and

(j) so long as any of the Secured Obligations (other than inchoate Secured Obligations) remain unsatisfied:

(i) from time to time, at the Company's expense, execute, deliver, file and record any statement, assignment, instrument, document, agreement or other paper and take any other action (including any filings in connection with the recordation of the Security Interest of the Security Trustee in any Intellectual Property) that from time to time may be commercially reasonable, necessary or desirable, or that the Security Trustee may reasonably request, in order to:

(A) create, preserve, perfect, confirm or validate the Transaction Security on the Security Assets; or

(B) enable the Security Trustee to exercise and enforce any of its rights, powers and remedies with respect to any of the Security Assets; and

(ii) promptly upon request, provide to the Security Trustee all information and evidence concerning the Security Assets that the Security Trustee may reasonably request from time to time to enable it to enforce the provisions of this Agreement.

8.2 Notice Obligations

The Company hereby undertakes to the Security Trustee for the benefit of the Trustee (on behalf of the Holders) from the date of this Agreement until Payment in Full, to notify the Security Trustee in writing as soon as possible after it becomes aware of any of the following (in each case pursuant to or within the meaning of any Bankruptcy Law):

(a) the Company (i) commences a voluntary case, (ii) consents to the entry of an order for relief against it in an involuntary case, (iii) consents to the appointment of a Receiver for it or for any substantial part of its property, (iv) makes a general assignment for the benefit of its creditors or (v) generally is not paying its debts as they become due; or

(b) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that (i) is for relief against the Company in an involuntary case or proceeding, (ii) appoints a Receiver for the Company or for any substantial part of its property or (iii) orders the winding up or liquidation of the Company and, in each case, such order or decree remains unstayed and in effect for 60 days.

8.3 Security Trustee's right to perform

If the Company for any reason whatsoever fails to duly and punctually observe or perform or comply with any of its obligations under this Agreement, including under this Clause 8 (*Undertakings*), after the Security Trustee (acting in accordance with a Letter of Instruction) has requested in writing that the Company do so and the Company fails to do so within five (5) Business Days, the Security Trustee shall have the power, on behalf of or in the name of the Company or otherwise, after having received a Letter of Instruction, to perform the obligation and to take any steps which the Trustee may consider appropriate with a view to remedying, or mitigating the consequences of the failure, but without in any way becoming liable therefor (other than as a result of its bad faith, gross negligence or willful misconduct) and provided that the exercise of this power, or the failure to exercise it, shall in no circumstances prejudice the Security Trustee's rights hereunder. The Company shall reimburse the Security Trustee for any damage, loss, costs or expenses incurred in connection with exercising its right under this Clause 8.3.

9. VOTING RIGHTS, DIVIDENDS AND INTEREST

(a) Unless and until an Event of Default shall have occurred and be continuing and, other than in the case of an Event of Default under Section 6.01(a) (xiii) or (xiv) of the Indenture, the Security Trustee (acting in accordance with a Letter of Instruction) shall have provided written notice to the Company that the Company's rights, in whole or in part, under this Clause 9 are being suspended:

(i) the Company shall be entitled to exercise any and all voting and/or other consensual rights and powers inuring to the Equity Interests in the Israeli Guarantor or any part thereof for any purpose not inconsistent with the terms of this Agreement and the other Note Documents; and

(ii) the Company shall be entitled to receive and retain any and all dividends, interest, principal and other distributions paid on or distributed in respect of the Security Assets; provided that any noncash dividends, interest, principal or other distributions that would constitute Security Assets, whether resulting from a subdivision, combination or reclassification of the issued and outstanding Equity Interests in the Israeli Guarantor or received in exchange for Equity Interests in the Israeli Guarantor or any part thereof, or in redemption thereof, or as a result of any merger, consolidation, acquisition or other exchange of assets to which the Israeli Guarantor may be a party or otherwise, shall be and become part of the Security Assets and, if received by the Company, required to be delivered to the Security Trustee hereunder, shall be held in trust for the benefit of the Security Trustee and the other Secured Parties and shall be forthwith delivered to the Security Trustee in the form in which they shall have been received (with any endorsements, stock or note powers, deeds of transfer and other instruments of transfer reasonably requested by the Security Trustee).

(b) Upon the occurrence and during the continuance of an Event of Default, and, other than in the case of an Event of Default under Section 6.01(a) (xiii) or (xiv) of the Indenture, after the Security Trustee (acting in accordance with a Letter of Instruction) shall have provided written notice to the Company of the suspension of the Company' rights under Clause 9(a)(i) above, all rights of the Company to exercise the voting and consensual rights and powers it is entitled to exercise pursuant to Clause 9(a)(i) above, shall thereupon become vested in the Security Trustee, which shall have the sole and exclusive right and authority to exercise such voting and consensual rights and powers, according to instructions provided in the Letter of Instructions. After all Events of Default have been cured or waived, all rights vested in the Security Trustee pursuant to this paragraph (b) shall cease, the Company shall have the exclusive right to exercise the voting and consensual rights and powers they would otherwise be entitled to exercise prior to such vesting.

(c) Upon the occurrence and during the continuance of an Event of Default, and, other than in the case of an Event of Default under Section 6.01(a)(xiii) or (xiv) of the Indenture, after the Security Trustee (acting in accordance with a Letter of Instruction) shall have provided written notice to the Company of the suspension of the Company's rights under Clause 9(a)(ii) above, all rights of the Company to dividends, interest, principal or other distributions that the Company is authorized to receive pursuant to Clause 9(a)(ii) above, shall thereupon become vested in the Security Trustee, which shall have the sole and exclusive right and authority to receive and retain such dividends, interest, principal or other distributions. All dividends, interest, principal and other distributions received by the Company contrary to the provisions of this Clause 9 shall be held in trust for the benefit of the Security Trustee and the other Secured Parties, shall be segregated from other property or funds of the Company and shall be forthwith delivered to the Security Trustee upon written demand in the form in which they shall have been received (with any necessary endorsements, stock powers or other instruments of transfer). Any and all money and other property paid over to or received by the Security Trustee pursuant to the provisions of this Clause 9(c) shall be retained by the Security Trustee in an account to be established by the Security Trustee for the benefit of the Trustee (on behalf of the Holders) upon receipt of such money or other property, shall be held as security for the payment of the Secured Obligations and shall be applied in accordance with the provisions of Clause 17 (*Application of Proceeds*). After all Events of Default have been cured or waived, the Security Trustee shall within reasonable time repay to the Company (without interest) all dividends, interest, principal or other distributions that the Company would otherwise have been permitted to retain pursuant to the terms of Clause 9(a)(ii) above and that remain in such account and the Company will have the right to exercise the voting and consent rights that the Company would otherwise be entitled to exercise pursuant to the terms of Clause 9(a) above.

(d) The Company hereby appoints the Security Trustee as its proxy in respect of the Equity Interests in the Israeli Guarantor and any Related Rights owned by it, such that the Security Trustee shall be entitled, upon the voting and consensual rights and powers becoming vested in the Security Trustee and the delivery of a Letter of Instruction in such respect: (i) to vote the Equity Interests in the Israeli Guarantor owned by the Company in the Company's name and on the Company's behalf on all resolutions of the shareholders of the Israeli Guarantor in any general meeting, extraordinary meeting or any other shareholder meeting (including any adjourned meeting) held from to time; (ii) to appoint directors to the board of directors of the Israeli Guarantor in the Company's name and on the Company's behalf and (iii) to exercise all other shareholders' rights in respect of the Equity Interests in the Israeli Guarantor and any Related Rights owned by the Company, in each case, in such manner as the Security Trustee may deem fit.

10. PREPAYMENT

Other than as expressly permitted under the Note Documents, neither the Company nor any Person having a right liable to be affected by the pledges and charges hereby created or the enforcement thereof shall have any right under section 13(b) of the Pledges Law or any other statutory provisions in substitution therefor.

11. ENFORCEMENT OF TRANSACTION SECURITY

11.1 Timing and manner of enforcement

(a) The Transaction Security shall become enforceable immediately:

(i) upon the occurrence and during the continuation of an Event of Default and after the Security Trustee has notified the Company in writing that it intends to exercise remedies; or

(ii) upon the appointment of a Receiver over any of the assets of the Company.

(b) Without prejudice to any specific provisions contained in this Agreement, immediately after the Transaction Security has become enforceable, the Security Trustee may enforce all or any part of the Transaction Security as instructed by the Trustee in the Letter of Instruction.

(c) None of the Security Trustee, the Collateral Agent, the Trustee or any Holder shall be liable to the Company for any loss arising from the manner in which the Security Trustee enforces or refrains from enforcing the Transaction Security.

11.2 Protection of third parties

(a) No Person (including a purchaser) dealing with the Security Trustee or a Receiver or any of its or their respective agents shall be concerned to enquire:

(i) whether the Secured Obligations have become payable;

(ii) whether any power which the Security Trustee or such Receiver may purport to exercise has become exercisable or is being properly exercised;

(iii) whether any amount remains due under the Note Documents; or

(iv) how any money paid to the Security Trustee or to the Receiver is to be applied.

(b) The receipt by the Security Trustee or any Receiver of any moneys paid to the Security Trustee or such Receiver by any Person (including a purchaser) shall be an absolute and conclusive discharge and shall relieve any Person dealing with the Security Trustee or such Receiver of any obligation to see to the application of any moneys paid to or at the direction of the Security Trustee or such Receiver.

(c) In paragraphs (a) and (b) above, ***purchaser*** includes any Person acquiring, for money or money's worth, any interest or right whatsoever in relation to any Security Asset.

12. SECURITY TRUSTEE AND RECEIVER

12.1 Security Trustee

(a) If an Event of Default occurs and the Security Trustee (acting in accordance with a Letter of Instruction) gives notice to the Company that the Transaction Security is enforceable, the Security Trustee shall be entitled to take all such steps, as instructed by the Trustee in the Letter of Instruction, as it sees fit to collect the total amount outstanding under the Secured Obligations and to enforce, at the Company's expense, any of the Security Interests created under this Agreement by any means allowed by Applicable Law including, without limitation:

(i) exercising any of the rights, remedies and powers available to it under Applicable Law (including under Article 6 of the Indenture); and

(ii) appointing or applying to the competent court for appointment of a Receiver (as set out in Clause 12.2 (*Receiver*)).

(b) To the extent permitted by Applicable Law, all or any of the powers, authorities and discretions which are conferred by this Agreement upon a Receiver may be exercised by the Security Trustee (acting in accordance with a Letter of Instruction) following an Event of Default without first appointing a Receiver or notwithstanding the appointment of a Receiver.

Without derogating from the above, following an Event of Default and after receiving a Letter of Instruction, the Security Trustee shall be entitled to exercise any right charged or pledged hereunder in the same manner in which the Company would be entitled to exercise such right in accordance with the terms of section 20 of the Pledges Law.

(c) Subject to Applicable Law and without derogating from subclauses (a) and (b) above, and after receiving a Letter of Instruction, the Security Trustee shall be entitled, in any proceedings concerning the bankruptcy, liquidation, winding up or receivership (or similar proceedings) of the Company, to:

(i) demand, claim, collect and enforce and prove the Secured Obligations and give acquittal thereunder;

(ii) file any claims and proofs, give receipts and take all such proceedings and do all such things as the Security Trustee sees fit to recover the Secured Obligations; and

(iii) receive all distributions on and payments with respect to the Secured Obligations.

(d) The Company irrevocably makes, constitutes and appoints the Security Trustee (and its designees) as the Company's true and lawful agent (and attorney-in-fact) for the purpose, upon the occurrence and during the continuance of an Event of Default and written notice to the Company of its intent to exercise its remedies under Article 6 of the Indenture, of making, settling and adjusting claims in respect of the Security Assets under policies of insurance, endorsing the name of the Company on any check, draft, instrument or other item of payment for the proceeds of such policies of insurance. All sums disbursed by the Security Trustee in connection with this paragraph, including reasonable out-of-pocket attorneys' fees, court costs, expenses and other charges relating thereto, shall be payable reasonably promptly upon demand by the Company to the Security Trustee and shall constitute Secured Obligations. Notwithstanding the foregoing, so long as no Event of Default shall have occurred and be continuing, all insurance payments, proceeds of insurance and any awards arising from condemnation of any Security Assets received by the Security Trustee in connection with any loss, damage or destruction of any Security Assets shall be transferred to the Company.

(e) The Security Trustee shall have all powers necessary to preserve the Security Assets and the Security Interests created hereby and to take all such steps for such purpose at the Company's expense.

12.2 Receiver

(a) The Receiver shall have all powers conferred by Applicable Law, including, among others, the following rights, powers and discretions:

(i) to receive the Security Assets or any part thereof, seize possession of and eject any Person and thing situated thereon, on behalf of the Company;

(ii) to carry on the Company's business as it deems fit;

(iii) to sell or agree to the sale of the Security Assets in whole or in part, or otherwise dispose of the same on such conditions as he deems fit, and apply the proceeds thereof towards the Secured Obligations;

(iv) to enforce, collect and take such action as will be required vis-à-vis the various authorities to exercise the Company's tax rights in respect of the Security Assets, including obtaining an exemption or discount or concession or right to set off losses, of any kind whatsoever; and

(v) to effect any other act in relation to the Security Assets in its entirety or in part, as he deems fit, to take immediate possession of and collect any Security Assets and to require payment to it or to the Security Trustee of any monetary claims or credit balance on any account.

(b) The Company alone shall be responsible for the acts and omissions of the Receiver (other than for the Receiver's gross negligence or willful misconduct) and for the Receiver's remuneration. Under no circumstances shall the Security Trustee, the Collateral Agent, the Trustee or any Holder be responsible for the acts and omissions of the Receiver or for the Receiver's remuneration.

12.3 Security Trustee and Receiver

(a) Neither the Security Trustee nor the Receiver, nor any of their respective agents, managers, officers, employees, delegates, and advisers shall be liable for any claim, demand, liability, loss, damage, cost or expense which arises out of the exercise or the attempted or purported exercise or the failure to exercise any of their respective rights, powers and discretions under this Agreement in the absence of gross negligence or willful misconduct.

(b) Neither the Security Trustee nor any Receiver, nor any of their respective agents, managers, officers, employees, delegates, and advisers shall be under any duty to exercise any of their respective rights, powers and discretions under this Agreement.

(c) To the extent permitted by Applicable Law, the Company hereby waives any requirements with respect to notice, form or the terms of the exercise by the Security Trustee, the Receiver, or any of their respective agents, managers, officers, employees, delegates, and advisers of their respective rights, powers and discretions under this Agreement, except as expressly provided otherwise in the Note Documents.

13. DELEGATION

(a) To the extent permitted by Applicable Law, the Security Trustee or any Receiver may delegate by power of attorney or in any other manner to any Person any right, power or discretion exercisable by it under this Agreement.

(b) Any delegation under this Clause 13 may be made upon such terms (including the power to sub-delegate) and subject to such conditions and regulations as the Security Trustee or any Receiver may consider fit.

(c) Neither the Security Trustee nor any Receiver shall be in any way liable or responsible to the Company for any claim, expense, demand, loss or liability arising from any act, default, omission or misconduct on the part of any delegate.

(d) References in this Agreement to the Security Trustee or a Receiver shall be deemed to include references to any delegate of the Security Trustee or Receiver appointed in accordance with this Clause 13.

14. PRESERVATION OF SECURITY

14.1 Guarantee and Indemnity

To the extent enforcement of the Transaction Security or the guarantee provided under this Agreement becomes unenforceable, invalid or illegal, the Company, as an independent and primary obligation, hereby indemnifies the Security Trustee promptly on demand against any claim, expense, demand, cost, loss or liability it incurs as a result of the Company not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any Note Document on the date when it would have been due.

14.2 Reinstatement

(a) If any payment by the Company or any discharge or release given by the Security Trustee, the Collateral Agent or the Trustee on behalf of the Holders (whether in respect of the obligations of any Person or any security for such obligations or otherwise) is avoided or reduced as a result of insolvency or any similar event:

(i) the liability of the Company and the relevant security shall continue as if such payment, discharge, release, avoidance or reduction had not occurred; and

(ii) the Security Trustee, the Collateral Agent or the Trustee on behalf of the Holders, as applicable, shall be entitled to recover the value or amount of such security or payment from the Company, as if such payment, discharge, avoidance or reduction had not occurred.

(b) The Security Trustee (acting in accordance with a Letter of Instruction) may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

14.3 Waiver of defenses

None of the obligations of the Company under this Agreement or any Transaction Security shall be affected by any act, omission, matter or thing (whether or not known to the Company, the Security Trustee, the Collateral Agent, the Trustee or any Holder) which, but for this provision, would reduce, release, prejudice or provide a defense to any of those obligations including:

(a) any time, waiver, release or consent granted to, or composition with, the Company, any Guarantor or any other Person;

(b) the release of the Company, any Guarantor or any other Person under the terms of any composition or arrangement with any creditor of the Company, such Guarantor or such other Person, as applicable;

(c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over the assets of, the Company, any Guarantor or any other Person;

(d) any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to enforce the full value of any rights against, or security over the assets of, the Company, any Guarantor or any other Person;

(e) any incapacity or lack of power, authority or legal personality of, or dissolution or change in, the members or status of the Company, any Guarantor or any other Person;

(f) any amendment (however fundamental and including any amendment that may increase the liability of the Company, any Guarantor or any other Person) or replacement of any Note Document or any other document or security;

(g) any unenforceability, illegality or invalidity of any obligation of any Person under any Note Document or any other document or security; or

(h) any insolvency or similar proceedings.

For the avoidance of doubt, without derogating from the remainder of this Clause 14.3, the Company hereby expressly waives all rights and defenses under sections 4(b), 4(c), 5, 6, 7(b), 8, 9, 11, 12, 15 and 17 of the Guarantee Law, and all rights and defenses under sections 7(b) and 13(b) of the Pledges Law, and confirms that the provisions of the Guarantee Law and the Pledges Law affording such rights or defenses to the Company shall not apply to the rights granted to the Security Trustee under this Agreement.

14.4 Immediate recourse

(a) The Company waives any right it may have of first requiring the Security Trustee to proceed against or enforce any other rights or security or claim payment from any Person before claiming from or enforcing against the Company under this Agreement.

(b) The waiver in this Clause 14.4 applies irrespective of any Applicable Law or any provision of any Note Document to the contrary.

14.5 Appropriations

On and after the occurrence of, and during the continuation of, an Event of Default and until Payment in Full, the Security Trustee (acting in accordance with a Letter of Instruction) may, subject to Applicable Law:

(a) refrain from applying or enforcing any other moneys, security or rights held or received by the Security Trustee (or any trustee or agent on its behalf) in respect of such amounts, or apply and enforce the same in such manner and order as it considers fit (whether against those amounts or otherwise) and the Company shall not be entitled to the benefit of the same; and

(b) hold in an interest-bearing suspense account any moneys received from the Company or on account of the Company's liability under this Agreement.

14.6 Additional security/non-merger

(a) The Transaction Security is in addition to and not in substitution for or derogation of, and shall not be merged into or in any way be excluded or prejudiced by, any other Security Interest (whether given by a Company or otherwise) at any time held by or on behalf of the Security Trustee in respect of or in connection with any or all of the Secured Obligations.

15. CURRENCY CONVERSION

(a) If any of the Security Trustee, the Collateral Agent or the Trustee on behalf of the Holders receives any amounts due to it under any Note Document in a currency other than the currency in which any payment obligation is expressed to be payable (the "**Other Currency**"), the Security Trustee, the Collateral Agent or the Trustee on behalf of the Holders, as applicable, may convert the Other Currency into the currency necessary for the full or partial discharge of the Secured Obligations.

(b) For the purposes of this Clause 15, the rate of exchange shall be set in accordance with normal banking procedures in the relevant jurisdiction in which the exchange is to occur at the time elected in the sole discretion of the Security Trustee, the Collateral Agent or the Trustee on behalf of the Holders, as applicable, with all fees, costs and expenses associated with such exchange to be borne by the Company.

16. POWER OF ATTORNEY

16.1 Appointment

The Company irrevocably appoints the Security Trustee and each Receiver severally as its attorney, with full power of substitution, on its behalf and in its name or otherwise, at such time and in such manner as the attorney considers fit, but subject to receiving a Letter of Instruction:

(a) subject to and in accordance with Clause 8.3 (*Security Trustee's right to perform*), prior to the occurrence of an Event of Default, to do anything which the Company is obligated to do under this Agreement (but has not done);

(b) to demand, sue for, collect, receive and give acquittance for any and all monies due or to become due upon or by virtue thereof;

(c) to settle, compromise, compound, prosecute or defend any action or proceeding with respect thereto;

(d) to sell, lease, license or otherwise dispose of the same or the proceeds or avails thereof, as fully and effectually as if the Security Trustee were the absolute owner thereof;

(e) to extend the time of payment of any or all thereof and to make any allowance or other adjustment with reference thereto; and

(f) on and after the occurrence of, and during the continuation of, an Event of Default, to do anything which the Company is obligated to do under this Agreement.

16.2 Ratification

(a) The Company ratifies and confirms and agrees to ratify and confirm whatever any attorney shall do in the exercise or purported exercise of the power of attorney granted by it in Clause 16.1 (*Appointment*).

(b) The Company hereby releases the Security Trustee and any Receiver in advance from all liability should the Security Trustee or such Receiver not exercise any of the powers conferred upon the Security Trustee or such Receiver under the power of attorney created in Clause 16.1 (*Appointment*).

(c) The Company hereby waives in advance any claims or demands against the Security Trustee and any Receiver on account of, or in connection with any claim demands, actions, suits, proceeding, negotiation or arrangement, made by the Security Trustee under the powers granted to it under this Clause 16except as resulting from the Security Trustee's gross negligence, bad faith or willful misconduct or material breach of this Agreement or that of any of its Affiliates, directors, officers, employees, advisors, agents, controlling persons or other representatives (as determined by a court of competent jurisdiction in a final and non-appealable decision).

17. APPLICATION OF PROCEEDS

17.1 Order of application

(a) The Security Trustee shall apply the proceeds of any collection, sale, foreclosure or other enforcement of any Security Asset, including any Security Asset consisting of cash, as follows:

(i) **first**, to the payment of all reasonable and documented out-of-pocket costs and expenses incurred by the Security Trustee in connection with such collection, sale, foreclosure or enforcement or otherwise in connection with this Agreement, any other Note Document or any of the Secured Obligations, including all court costs and the reasonable and documented out-of-pocket fees and expenses of its agents and legal counsel, the repayment of all advances made by the Security Trustee hereunder or under any other Note Document on behalf of the Company and any other reasonable and documented out-of-pocket costs or expenses incurred in connection with the exercise of any right or remedy hereunder or under any other Note Document;

(ii) **second**, to the payment in full of the Secured Obligations; and

(iii) **third**, to the Company, its successors or assigns,

or, in each case, as a court of competent jurisdiction may otherwise direct.

(b) Upon any sale of the Security Assets by the Security Trustee (including pursuant to a power of sale granted by statute or under a judicial proceeding), the receipt of the Security Trustee or of the officer making the sale of the purchase price thereof shall be a sufficient discharge to the purchaser or purchasers of the Security Assets so sold and such purchaser or purchasers shall not be obligated to see to the application of any part of the purchase price paid over to the Security Trustee or such officer or be answerable in any way for the misapplication thereof. The Company shall remain liable for any deficiency if the proceeds of any sale or disposition of the Security Asset are insufficient to pay all Secured Obligations, including any attorneys' fees and other expenses incurred by the Security Trustee to collect such deficiency.

(c) The order of application referred to in paragraphs (a) and (b) above shall override any appropriation by the Company.

18. SET OFF

If an Event of Default shall have occurred and be continuing, the Security Trustee is hereby authorized at any time and from time to time, to the fullest extent permitted by Applicable Law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) or other amounts at any time held and other obligations (in whatever currency) at any time owing by the Security Trustee to or for the credit or the account of the Company against any of and all the Obligations then due of the Company now or hereafter existing under the Note Documents, irrespective of whether or not the Security Trustee, the Collateral Agent or the Trustee on behalf of the Holders shall have made any demand under any Note Document and although such obligations of the Company may be contingent or unmatured. The Security Trustee agrees to notify the Company and the Trustee promptly after any such setoff and application; provided that the failure to give or any delay in giving such notice shall not affect the validity of any such setoff and application. The rights of the Security Trustee under this Section 18 are in addition to other rights and remedies (including other rights of setoff) that the Security Trustee may have.

19. EXPENSES AND INDEMNITIES

(a) The Company shall indemnify the Security Trustee, the Collateral Agent, the Trustee on behalf of the Holders, the Receiver and each Related Party of any of the foregoing Persons and permitted successors and assigns of any of the foregoing Persons, without duplication (each, an "**Indemnified Person**") as provided in Section 7.06(a) of the Indenture.

(b) The Security Trustee shall be entitled to reimbursement of its reasonable out-of-pocket expenses incurred hereunder for its actions in connection herewith as provided in Section 7.06(a) of the Indenture.

(c) Any Indemnified Person who is not a party to this Agreement may rely on this Clause 19 and enforce its terms.

20. CHANGES TO PARTIES

20.1 Transfer by the Security Trustee

The Security Trustee may at any time assign or otherwise transfer all or any part of its rights under this Agreement to any successor appointed in accordance with the Note Documents. The Company shall, promptly upon a request from the Security Trustee and to the extent commercially reasonable, enter into such documents and do all such acts as may be necessary or desirable to effect such an assignment or transfer.

20.2 Changes to the Company

The Company may not assign or otherwise transfer any of its respective rights or obligations under this Agreement without the prior written consent of the Security Trustee (acting in accordance with a Letter of Instruction).

21. ENTIRE AGREEMENT; WAIVERS AND AMENDMENTS

This Agreement contains the entire agreement of the parties with respect to the subject matter hereof and supersedes any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Neither this Agreement nor any provision hereof may be waived, amended, modified or terminated except pursuant to an agreement or agreements in writing entered into by the Company and the Security Trustee with respect to such waiver, amendment, modification or termination.

22. MISCELLANEOUS

22.1 Further advances

This Agreement secures advances and financial accommodation already made under the Note Documents and further advances and financial accommodation to be made under the Note Documents.

22.2 Security Trustee's and Receiver's liability

Neither the Security Trustee nor any Receiver shall (either by reason of taking possession of the Security Assets or for any other reason) be liable to the Company or any other Person for any costs, losses, liabilities or expenses relating to the realization of any Security Assets or from any act, default, omission or misconduct of the Security Trustee or any Receiver or their respective officers, employees or agents in relation to the Security Assets or in connection with the Note Documents except as resulting from the Security Trustee's gross negligence, bad faith or willful misconduct or material breach of this Agreement or that of any of its Affiliates, directors, officers, employees, advisors, agents, controlling persons or other representatives (as determined by a court of competent jurisdiction in a final and non-appealable decision).

22.3 Determinations

The Company acknowledges that any certification or determination by the Security Trustee or any Receiver, or any books, records and accounts of the Security Trustee or the Receiver, shall, in the absence of manifest error, conclusive evidence of the matters to which it relates. Copies of such certificates, determinations, books, records or accounts shall serve as admissible evidence to prove the authenticity of their content.

22.4 Relationship with other documents

Nothing contained in this Agreement shall operate to prejudice or affect any obligations of the Company towards the Security Trustee, the Collateral Agent or the Trustee on behalf of the Holders conferred by documentation of any kind that has been or will be signed by the Company towards the Security Trustee, the Collateral Agent or the Trustee on behalf of the Holders or the rights of the Security Trustee, the Collateral Agent or the Trustee on behalf of the Holders under such documentation.

22.5 Translation

A convenience translation of this Agreement into Hebrew shall be prepared by the Company as required by Requirements of Law or reasonably requested by the Security Trustee for the purpose of registration and perfection of this Agreement with the Israeli Registrar of Companies. The parties acknowledge that this English language Agreement shall prevail in the case of any inconsistency and that the Hebrew translation is for convenience only.

23. PARTIAL INVALIDITY

If any provision of this Agreement is or becomes invalid, illegal or unenforceable in any jurisdiction, that shall not affect the legality, validity or enforceability of the remaining provisions in such jurisdiction or of such provision in any other jurisdiction.

24. SURVIVAL

The warranties, representations and covenants of the Company contained in or made pursuant to this Agreement shall:

(a) survive the execution and delivery of this Agreement and the other Note Documents; and

(b) be deemed to be material and to have been relied upon by the Security Trustee, the Collateral Agent and the Trustee on behalf of the Holders, regardless of any investigation of the subject matter thereof made by or on behalf of the Security Trustee, the Collateral Agent or the Trustee on behalf of the Holders, as applicable.

25. NOTICES

The provisions of Section 15.02 of the Indenture shall apply to this Agreement as if set out expressly in full in this Clause 25 (as appropriate).

26. COUNTERPARTS

This Agreement may be executed in any number of counterparts (and by different parties hereto on different counterparts), each of which when so executed shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic imaging (i.e. “pdf” or “tif”) shall be effective as delivery of a manually executed counterpart of this Agreement.

27. GOVERNING LAW AND JURISDICTION

This Agreement is governed by and shall be construed in accordance with the laws of the State of Israel and each of the parties hereto hereby irrevocably submits to the exclusive jurisdiction of the courts of Tel-Aviv-Jaffa in relation to all matters arising out of or in connection with this Agreement.

[*Signature page follows*]

SIGNATORIES TO THE SECURITY AGREEMENT

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

SECURITY TRUSTEE

ALTSHULER SHAHAM TRUSTS LTD.
as Security Trustee

BY: ______________________________

Name:

Title:

THE COMPANY

PROTALIX BIOTHERAPEUTICS, INC.
as the Company

BY: ______________________________

Name:

Title: