

Convenience translation
In any case of inconsistency, the immediate report in Hebrew shall prevail

Discount Investment Corporation Ltd,

Immediate report dated October 25, 2020 - reference number: 2020-01-115842

Subject: Agreements Between the Receivers and Dolphin

Further to the immediate reports of Discount Investment Corporation Ltd. (the “**Company**”), the last of which was dated October 23, 2020, regarding various legal proceedings pertaining to the receivership of the Company’s shares, including in connection with a motion which was filed by the receivers who were appointed for the Company’s shares (the “**Receivers**”), which constitute approximately 70% of its issued capital (with the consent of the trustee for IDB Development Corporation Ltd. (“**IDB Development**”) (who was also appointed as the temporary receiver for the Company’s shares, which constitute approximately 12% - the “**Trustee**”), regarding the replacement of directors in the Company, and further to the Company’s immediate report dated October 23, 2020, regarding the convention of a meeting of the Company’s shareholders, the Company hereby reports that on October 25, 2020, the District Court of Tel Aviv-Yafo gave force of ruling to the notice regarding the agreements, and the motion to approve them (the “**Notice**”).

A copy of the notice is attached to this immediate report.

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**At the District Court
In Tel Aviv Yafo**

**LF 50129-09-20
Motion Number 4**

Before the Vice President, Honorable Judge Hagai Brenner

In the matter of:

**Adv. Raanan Kalir and Adv. Alon Binyamini
In their capacity as temporary receivers**
Represented by Erdinast, Ben Nathan, Toledano & Co.,
Law Office
Of 4 Berkowitz St., Tel Aviv 6423806
Tel.: 03-7770111; Fax: 03-777010

The Receivers;

– VS –

And in the matter of:

Dolphin IL Investments Ltd.
Represented by Shibolet & Co., Law Office
Of 4 Berkowitz St., Tel Aviv 6423806
Tel.: 03-7778420; Fax: 03-7778444

Respondent 1 / Dolphin Israel;

And in the matter of:

**Discount Investment Corporation Ltd., Private Company
No. 520023896**
ToHa Tower, 114 Yigal Alon, Tel Aviv 6744320
By Gornitzky & Co., Law Office
Of 45 Rothschild St., Tel Aviv
Tel.: 03-7109191; Fax: 03-5606555

Respondent 2 / DIC;

Represented by the office of Gross, Kleinhendler, Hodak,
Halevy, Greenberg, Shenhav & Co.
Of 1 Azrieli Center, Tel Aviv
Tel.: 03-6074444; Fax: 03-6074422

And in the matter of:

Mr. Eduardo Elsztain, Argentinian passport AAF441154
Represented by Shibolet & Co., Law Office
Of 4 Berkowitz St., Tel Aviv 6423806
Tel.: 03-7778420; Fax: 03-7778444

Respondent 3;

Mr. Alejandro Elsztain, Argentinian passport AAD153661

Mrs. Diana Elsztain Dan, ID 309907772

Mr. Saul Zang, Argentinian passport AAE740025

Mr. Mario Blejer, ID 017194804

All of ToHa Tower, 114 Yigal Alon, Tel Aviv 6744320

Respondents 4-7;

NOTICE OF POINTS OF AGREEMENT AND MOTION TO CERTIFY THEM

The parties to the motion marked as Motion Number 4 (the "**Motion**"), namely, the Receivers, Dolphin Israel, and Respondent 3 (who has obtained the consent of Respondents 4-7 to the following) (the "**Directors**") respectfully provide the honorable court with the update (following the update provided by DIC that it has called a shareholders' meeting for November 6, 2020 upon the Receivers' demand (Annex 9 of the Motion)) that they have reached the following points of agreement, which obviate the need of a decision on Motion Number 4, and which the honorable court is requested to certify:

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1. Each of the Directors will exercise any power they have in DIC and in any corporation controlled or held by it, directly or indirectly (all such corporations: "**DIC's Corporations**") so that the process of invitation to submit bids for the purchase of DIC's controlling shares (the "**Invitation Process**") is not impaired or frustrated and so that by the end of the Invitation Process DIC's Corporations will operate only in the ordinary course of business.
2. The Directors will exercise any power they have in DIC's Corporations so that CPA Isaac Idan is appointed, as soon as possible, as director in Property & Building Corp. Ltd., in Elron Electronic Industries Ltd. and in Mehadrin Ltd.
3. If the court approves a winner of the Invitation Process other than Mr. Elsztain (or a corporation controlled by him), then the Directors will resign from their office in all DIC's Corporations upon receipt of the Receivers' demand.
4. After the bids in the Invitation Process have been submitted, and in taking heed of the bids submitted, the option of adjourning DIC's general meeting will be considered and the parties will discuss this matter among themselves. If they fail to reach an understanding, any party may motion the court in this regard as such party deems fit.

Joseph Benkel, Adv.
Counsel for Respondents 1 and 3

Raanan Kalir and Alon Binyamini, Advs.
The Receivers over DIC's controlling shares
