



Notice of Extraordinary General Meeting

Notice is hereby given that an Extraordinary General Meeting of Plus500 Ltd. (the "Company" or "Plus500") will be held at Regus offices, Level 9, CityPoint, 1 Ropemaker Street, London EC2Y 9HT, on 15 December 2016, at 11.00 a.m. for the following purposes:

As special business to consider, and, if thought fit, pass Resolutions 1 to 3 inclusive below:

1. As required by Israeli law and in accordance with the recommendation of the Remuneration Committee and the Board of Directors, to approve the following remuneration terms for Mr. Asaf Elimelech, the Chief Executive Officer and an Executive Director of the Company:
 - a. An increase to the service contract fee payable to Mr. Asaf Elimelech for his services as Chief Executive Officer and Executive Director from NIS 840,000 (approx. USD 221,000) per annum to NIS 1,100,000 (approx. USD 289,100) per annum, effective 1 January 2017.
 - b. The payment of an annual bonus for the year ending 31 December 2016 of NIS 1,000,000 (approx. USD 262,800) in recognition for Mr. Elimelech's services to the Company during 2015 and 2016.
 - c. The payment to Mr. Elimelech of an annual bonus for the year ending 31 December 2017, as set forth in the explanatory notes.
 - d. The grant to Mr. Elimelech of a share appreciation right in the amount of NIS 1,200,000 (approx. USD 315,400) vesting after two years from the date of grant, with a maximum payout amount of NIS 4,800,000 (approx. USD 1,261,700).
2. As required by Israeli law and in accordance with the recommendation of the Remuneration Committee and the Board of Directors, to approve the following remuneration terms for Mr. Elad Even-Chen, the Chief Financial Officer and an Executive Director of the Company:
 - a. An increase to the service contract fee payable to Mr. Elad Even-Chen for his services as Chief Financial Officer and Executive Director from NIS 840,000 (approx. USD 221,000) per annum to NIS 1,100,000 (approx. USD 289,100) per annum, effective 1 January 2017.
 - b. The payment of an annual bonus for the year ending 31 December 2016 of NIS 1,000,000 (approx. USD 262,800) in recognition for Mr. Even-Chen's services to the Company during 2015 and 2016.
 - c. The payment to Mr. Even-Chen of an annual bonus for the year ending 31 December 2017, as set forth in the explanatory notes.
 - d. The grant to Mr. Even-Chen of a share appreciation right in the amount of NIS 1,200,000 (approx. USD 315,400) vesting after two years from the date of grant, with a maximum payout amount of NIS 4,800,000 (approx. USD 1,261,700).
3. As required by Israeli law and in accordance with the recommendation of the Remuneration Committee and the Board of Directors, to approve the fees payable to Ms. Penelope Ruth Judd for her services as Non-Executive Director of £54,450 gross per annum effective 28 June 2016.

By order of the Board of Directors

Alastair Gordon
Chairman of the Board

Dana Comber
Company Secretary

9 November 2016

Registered Office
Matam, Building 25
Haifa 3190500
Israel
Registered in Israel number 514142140

Explanatory Notes:

Resolutions 1 and 2. Resolutions 1 and 2 propose to adopt new remuneration terms for Mr. Asaf Elimelech, the Company's Chief Executive Officer and an Executive Director, and Mr. Elad Even-Chen, the Company's Chief Financial Officer and an Executive Director.

1. Mr. Elimelech and Mr. Even-Chen were promoted to their current positions in early 2016; however, their remuneration terms were not updated at the time of promotion. Accordingly, as part of the annual remuneration review, the Remuneration Committee and the Board of Directors of the Company (the "Board") have now reviewed the remuneration terms of Mr. Elimelech and Mr. Even-Chen and approved and recommended new remuneration terms for both Mr. Elimelech and Mr. Even-Chen to reflect their significant contribution to the Company in their executive roles.
2. In accordance with the Israel Companies Law, 5759-1999 (the "Companies Law"), the remuneration of a Director (such as Mr. Elimelech and Mr. Even-Chen) requires the approval of the Remuneration Committee, the Board and the Company's shareholders. The Remuneration Committee and the Board have approved, and recommended that the Company's shareholders approve, the remuneration terms for Mr. Elimelech and Mr. Even-Chen as set forth in Resolutions 1 and 2.
3. The payment to Mr. Elimelech and Mr. Even-Chen of an annual bonus for the year ending 31 December 2017 as determined by the Remuneration Committee is based on the following criteria (i) the size of increase in the Company's consolidated Net Profit in 2017 as compared to 2016 and (ii) the scope of regulatory licence-related activity pursued by the Company and its subsidiaries.
4. Shareholders are being asked to approve the remuneration terms for Mr. Elimelech and Mr. Even-Chen as set forth in Resolutions 1 and 2. The proposed remuneration terms of the two Executive Directors are identical.
5. The NIS amounts have been translated to USD with the exchange of NIS/USD 0.26.

Resolution 3. Resolution 3 proposes to approve the fees of Ms. Penelope Ruth Judd for her services as Non-Executive Director.

1. On 28 June 2016, in accordance with Article 45 of the Company's Articles of Association (the "Articles"), the Board appointed Ms. Judd as a non-executive director to fill a vacancy on the Board. In accordance with the Articles, Ms. Judd's appointment will expire at the Company's 2017 Annual General Meeting, at which time she will stand for re-election by the vote of the Company's shareholders.
2. As noted above, in accordance with the Companies Law, the remuneration of a Director requires the approval of the Remuneration Committee, the Board and the Company's shareholders. The Remuneration Committee and the Board have approved, and recommended that the Company's shareholders approve, Ms. Judd's fees for her services as a Non-Executive Director of £54,450 gross per annum, which fees are the same as the annual fees payable to the Company's two other Non-Executive Directors – Mr. Charles Fairbairn and Mr. Daniel King, as approved by the Company's shareholders at the Company's 2016 Annual General Meeting.
3. Shareholders are being asked to approve the annual fees for Ms. Judd effective 28 June 2016, the date Ms. Judd was appointed as a Non-Executive Director.

Notes:

1. Holders of Depositary Interests in respect of ordinary shares ("DI holders") may only appoint Capita IRG Trustees Limited (the "Depository") as their proxy. DI holders wishing to attend, speak and vote at the meeting should contact the Depository to request a Letter of Representation and this instruction is covered off in the notes on the Form of Direction.
2. If you do not have a Form of Proxy and believe that you should have one, or if you require additional forms, please contact Capita Asset Services on (44) 871 664 0300. All forms must be signed and should be returned together in the same envelope.
3. To be valid, any Form of Proxy or other instrument appointing a proxy and any power of attorney or other authority under which it is signed, or a notarially certified or office copy of such power or authority, must be received by post or (during normal business hours only) by hand at Capita Asset Services, Proxies, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU by no later than 11.00 a.m. on 13 December 2016.
4. In the case of DI holders, a Form of Direction must be completed in order to appoint the Depository whose registered office is at The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU to vote on the holder's behalf at the meeting. To be effective, a completed and signed Form of Direction must be deposited at Capita Asset Services no later than 11.00 a.m. on 12 December 2016.
5. The return of a completed Form of Proxy, Form of Direction, or other such instrument or any CREST Proxy Instruction (as described in paragraph 11 below) will not prevent a shareholder or DI holder attending the Extraordinary General Meeting and voting in person if he/she wishes to do so.
6. Pursuant to the Companies Law, to be entitled to attend and vote at the Extraordinary General Meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the register of the Company at close of business on 15 November 2016. Changes to the Company's register after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the Extraordinary General Meeting.
7. The quorum for the Extraordinary General Meeting shall be two or more shareholders present in person or by proxy and holding shares conferring in the aggregate 25 per cent of the voting power of the Company. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting shall be adjourned to the same day in the next week, at the same time and place, or to such day and at such time and place as the Chairman may determine.

8. Any shareholder attending the Extraordinary General Meeting is entitled pursuant to the Companies Law to ask any question relating to the business being dealt with at the meeting. The Company will answer any such questions unless (i) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; or (ii) the answer has already been given on a website in the form of any answer to a question; or (iii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
9. As at 8 November 2016 (being the last business day prior to the publication of this Notice) the Company's issued share capital consisted of 114,888,377 ordinary shares of which none were held as treasury shares. Therefore, the total voting rights in the Company as at 8 November 2016 were 114,888,377.
10. The Directors recommend voting in favour of all items in the Notice.
11. CREST members who wish to appoint a proxy through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider, should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.
12. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with CRESTCo's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to an instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent ID (RA10) by 11.00 a.m. on 12 December 2016. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
13. CREST members and, where applicable, their CREST sponsors or voting service providers should note that CRESTCo does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
14. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
15. Under the Companies Law, the proposal to amend the remuneration terms of Mr. Elimelech, the Company's Chief Executive Officer and a Director, as set forth in Resolution 1 of the Notice, requires the affirmative vote of the holders of a majority of the voting power represented and voting on the proposal in person or by proxy. In addition, the shareholders' approval must either include at least a majority of the ordinary shares voted by DI holders who are not controlling shareholders of the Company nor are they shareholders who have a personal interest in the remuneration of Mr. Elimelech, or the total ordinary shares of non-controlling shareholders and non-interested shareholders voted against this proposal must not represent more than two per cent of the outstanding ordinary shares. For this purpose, you are asked to indicate in the Form of Proxy card whether you are a controlling shareholder or have a personal interest in this proposal.
16. The following documents, which are available for inspection during normal business hours at the registered office of the Company on any weekday (Saturdays, Sundays and public holidays excluded), will also be available for inspection at the place of the Extraordinary General Meeting from 10.00 a.m. on the day of the Extraordinary General Meeting until the conclusion of the Extraordinary General Meeting:
 - (i) copies of the proposed amended service contracts of the Executive Directors, Mr. Elimelech and Mr. Even-Chen, as set forth in Resolutions 1 and 2;
 - (ii) copies of the proposed share appreciation right agreements to be granted to Mr. Elimelech and Mr. Even-Chen, as set forth in Resolutions 1 and 2; and
 - (iii) a copy of the letter of appointment (and other related documents) of Ms. Penelope Ruth Judd, as Non-Executive Director.

A copy of this notice can be found on the Company's website (<http://www.plus500.com/Investors/AIM26.aspx>).