

SENVEST CAPITAL INC.
MAJORITY VOTING POLICY

The Board of Directors of Senvest Capital Inc. (the “Company”) believes that each of its members should carry the confidence and support of its shareholders and is committed to upholding high standards in corporate governance. The Company has therefore adopted this Policy regarding the election of directors of the Company.

Forms of proxy for the vote at a shareholders’ meeting where directors are to be elected must enable the shareholder to vote in favour of, or to withhold from voting for, each nominee on an individual basis. At the meeting, the Chair shall call for a vote by ballot and the scrutineers shall record, with respect to each nominee, the number of shares voted in his or her favour and the number of shares withheld from voting. Prior to receiving the scrutineer’s report on the ballot, the Chair may announce the vote result based on the number of proxies received by the Company. At the conclusion of the meeting, the final scrutineer’s report on the ballot must be filed on SEDAR.

If, in an uncontested election of directors, the number of shares withheld from voting for any nominee exceeds the number of shares voted for the nominee, then, notwithstanding that such director was duly elected as a matter of corporate law, he or she shall, within five days following the date of the final scrutineer’s report on the ballot, tender his or her written resignation to the Chair of the Board. An “uncontested election” means an election where the number of nominees for director is not greater than the number of directors to be elected. The Audit Committee shall consider such offer of resignation and shall make a recommendation to the Board concerning the acceptance or rejection of the resignation. In its deliberations, the Audit Committee shall consider all factors deemed relevant. The Board shall take formal action on the Audit Committee’s recommendation no later than 90 days following the date of the applicable shareholders’ meeting and shall announce its decision via press release, a copy of which shall be submitted to the Toronto Stock Exchange. The Board shall only decline to accept the resignation in exceptional circumstances, and if it does decline to accept the resignation it shall include in the press release the reason or reasons for its decision.

No director who is required to tender his or her resignation shall participate in the Audit Committee’s deliberations or recommendations or in the Board’s deliberations or determination respecting such matter. In the event any director fails to tender his or her written resignation when required to do so under this Policy, such director shall not be put forward by the Board as a nominee at the next shareholders’ meeting where directors are to be elected.

If a resignation is accepted by the Board, and subject to any corporate law restrictions, the Board may (i) leave any resulting vacancy unfilled until the next annual general meeting of the Company, (ii) appoint a new director to fill the vacancy who the Board considers to merit the confidence of the shareholders, or (iii) call a special meeting of shareholders at which there will be presented a management slate to fill the vacant position or positions.