

TESCOM SOFTWARE SYSTEMS TESTING LTD
(the "Company")

Notice of call of an Extraordinary Meeting of Shareholders of the Company

Notice is hereby given that on Sunday June 3, 2007 an Extraordinary Meeting of Shareholders (the "Meeting") of the Company will be held at 11:00 a.m. (Israel time), at the offices of the Company, 54 Harei Yehuda Street, Ganei Tikva, Israel, (Telephone Number: +972 3 535-0990) and its Agenda shall include:

Agenda:

1. Appointment of Ms. Esti Matza-Rom for a further period as External Director of the Company, and authorization of her terms of engagement, pursuant to which, Ms. Matza-Rom will be entitled to receive the proportional fee as defined in Section 8A of the Israeli Companies Regulation (Rules Concerning the Remuneration and Expenses of External Directors) – 2000; so that her remuneration shall be equivalent to the higher of (i) the remuneration to be received by the Israeli Directors (which are not External Directors, controlling shareholders or Company's employees) or the (ii) average remuneration of the aforementioned Israeli Directors. Additionally, Ms. Matza-Rom shall be entitled to participate in any future Option grant to be awarded to the other Israeli Directors in the same conditions and quantities, all in accordance with Section 8B of the Israeli Companies Regulation (Rules Concerning the Remuneration and Expenses of External Directors) – 2000

The Audit Committee and the Board approved the above mentioned payment on their meeting dated April 25, 2007 in the understanding that the remuneration to be paid to the Statutory External Directors is in accordance with Sections 4 and 5 of the Israeli Companies Regulation (Rules Concerning the Remuneration and Expenses of External Directors) – 2000 in the amount of an yearly fee of NIS 23,560 and a per-meeting fee of NIS 1,220, all linked to the CPI index Base June 1999. Additionally, the aforementioned fee is in accordance with the rules concerning the fees of the Statutory External Directors and is reasonable and acceptable in the market and in accordance with the circumstances of its granting.

Following, the Candidate's personal data

Name:	Esti Matza-Rom
I.D. Number:	059274506
Date of Birth:	1965
Address:	Derekh HaHoresh 3, Kiriat Savyonim, Yehud, Israel
Nationality:	Israeli

Does the candidate have professional knowledge or specialization in accountancy or finance? The Candidate has specialization in accountancy and/or finance.

Is the Director employed by the Company, by a subsidiary or a related company or of any controlling shareholder of any of the aforementioned?
No.

Education: Public Accountant, Bachelor in economics and MBA

Occupation during the last 5 years: VP Finance in Liisuf Maclei Meshek Ltd. and Manager of Business Development in Migdal Elran Investments, Ltd.

Other Directorships: Inbal, Insurance Company Ltd; Israeli Military Industries Ltd.

Is the Candidate a relative of any Interested Party in the Company? No

- Appointment of Mr. Dror Siloni as External Director of the Company, and authorization of his terms of engagement, pursuant to which, Mr. Siloni will be entitled to receive the proportional fee as defined in Section 8A of the Israeli Companies Regulation (Rules Concerning the Remuneration and Expenses of External Directors) – 2000; so that his remuneration shall be equivalent to the higher of (i) the remuneration to be received by the Israeli Directors (which are not External Directors, controlling shareholders or Company's employees) or the (ii) average remuneration of the aforementioned Israeli Directors. Additionally, Mr. Siloni shall be entitled to participate in any future Option grant to be awarded to the other Israeli Directors in the same conditions and quantities, all in accordance with Section 8B of the Israeli Companies Regulation (Rules Concerning the Remuneration and Expenses of External Directors) – 2000

The Audit Committee and the Board approved the above mentioned payment on their meeting dated April 25, 2007 in the understanding that the remuneration to be paid to the Statutory External Directors is in accordance with Sections 4 and 5 of the Israeli Companies Regulation (Rules Concerning the Remuneration and Expenses of External Directors) – 2000 in the amount of an yearly fee of NIS 23,560 and a per-meeting fee of NIS 1,220, all linked to the CPI index Base June 1999. Additionally, the aforementioned fee is in accordance with the rules concerning the fees of the Statutory External Directors and is reasonable and acceptable in the market and in accordance with the circumstances of its granting.

Following, the Candidate's personal data

Name:	Dror Siloni
I.D. Number:	054278106
Date of Birth:	25.10.1957
Address:	HaPartisanim, 13 Ness Ziona, Israel.
Nationality:	Israeli

Does the candidate have professional knowledge or specialization in accountancy or finance? The Candidate has professional knowledge.

Is the Director employed by the Company, by a subsidiary or a related company or of any controlling shareholder of any of the aforementioned?
No.

Education: Law Bachelor

Occupation during the last 5 years: Production Planning & Logistics Manager - SIGMA ALDRICH

Other Directorships: None

Is the Candidate a relative of any Interested Party in the Company? No

3. To authorize the Company to engage in an indemnification agreement with Ms. Esti Matza-Rom and Mr. Dror Siloni , pursuant to which the Company will:

Indemnify the aforementioned Directors to the maximum extent permitted by applicable law against:

- a. any financial obligation imposed by any judgment or arbitrator confirmed by a court;
 - b. all reasonable litigation expenses expended as a result of an investigation or proceeding instituted against the Directors by a competent authority
 - c. The total aggregate amount of indemnification that the Company undertakes to indemnify all of its directors and officers, shall not exceed an aggregate amount equal to US\$ 2,000,000
4. In accordance with the resolutions of the Audit Committee and the Board to establish a unified remuneration policy towards the Israeli Directors, it is therefore proposed to authorize the terms of engagement of the Company's Directors Messrs Jacob Ben Ezra, Roni Albeck and Shaul Koniarski, (hereinafter – the "Israeli Directors") pursuant to which each of the Israeli Directors them shall receive a yearly fee in accordance with the maximum fee established in the Israeli Companies Regulation (Rules Concerning the Remuneration and Expenses of External Directors) - 2000 of NIS 23,560 plus and additional fee of NIS 1,220 per meeting. All of the aforementioned amounts are linked to the CPI Index, based on June 1999.
 5. Authorization of a one-time payment to Mr. Shaul Koniarski, director in the Company, pursuant to which Mr. Koniarski shall receive an amount of NIS 100,000. The Audit Committee and the Board approved such payment in the understanding that Mr Koniarski was appointed as Israeli Director prior to the registration of the Company in the AIM market and that he did not receive the payment of 25,000 pounds sterling as the other Israeli Directors. The Audit Committee and the Board are convinced that such payment is reasonable, and is granted in the intention of establishing a unified policy towards the remuneration of the directors.

6. Authorization of the French Addendum of the Israeli Option Plan adopted by the Company on March 12, 2003 as published in the Company's Admission to AIM document dated July 2005. The approval is required pursuant to the French tax regulations.
7. To Amend the Company's Articles of Association pursuant to the proposed wording:

SHAREHOLDER NOTIFICATION REQUIREMENTS

80. Shareholder Notification Requirements

- 80.1 Without prejudice to and in addition to any obligation to disclose under any applicable law, where a Shareholder either:
 - 80.1.1 to his knowledge acquires a Notifiable Interest in Ordinary Shares or, ceases to have a Notifiable Interest in such Ordinary Shares; and/or,
 - 80.1.2 becomes aware that he has acquired a Notifiable Interest in the Ordinary Shares or that he has ceased to have a Notifiable Interest in Ordinary Shares in which he has previously had a Notifiable Interest; and/or,
 - 80.1.3 to his knowledge, had a Notifiable Interest before and after the acquisition or disposal of an interest in Ordinary Shares, but the percentage level of his interest immediately before and immediately after that disposal or acquisition increases or decreases by any single percent (calculated out of 100% of the issued Ordinary Shares of the Company (excluding any Dormant Shares (as defined in the Law))).

such Shareholder shall notify the Company in writing of his interest without delay.
- 80.2 For the purposes of Article 80, a Notifiable Interest is an interest, whether direct or indirect, in 3 percent or more of the issued Ordinary Shares of the Company. Any reference to Ordinary Shares in this Article 80 excludes Ordinary Shares that are Dormant Shares (as defined in the Law). For the purpose of calculating whether any percentage threshold is reached, exceeded or falls below the threshold, the Notifiable Interest shall if necessary be rounded down to the next whole number.
- 80.3 Any notification under Article 80 shall identify the Shareholder so interested and provide details of the price and amount of the Ordinary Shares concerned, the nature of the transaction, the nature and extent of his interest in the transaction and the date on which he acquired or ceased to hold a Notifiable Interest or on which

there was reached an increase or decrease in the percentage level of his Notifiable Interest by 1 percent or more.

- 80.4 The Board may by written notice require any person whom the Board knows or has reasonable cause to believe to be interested in Ordinary Shares to indicate whether or not it is the case and, where that person holds any interest in any such Ordinary Shares, to give such further information as may be required by the Board.
- 80.5 Any such notice may require the person to whom it is addressed to give particulars of his own present interest in the Ordinary Shares.
- 80.6 A notice under Article 80.4 shall require any information given in response to the notice to be given in writing as soon as reasonably practicable but no later than 3 Business Days.
- 80.7 For the purposes of this Article 80, a person who is interested in a right to subscribe for or convert into Ordinary Shares shall be deemed to be interested in Ordinary Shares and references to interests in Ordinary Shares shall include, for the purpose of his calculation whether he must notify the Company of his interest in the Company, any interest whatsoever he personally holds (but not rights to subscribe for or convert into Ordinary Shares held by other persons, other than his affiliated parties or other persons deemed to be acting in conjunction with such person) in such Ordinary Shares including, without limitation, a right to control directly or indirectly the exercise of any right conferred by the holding of Ordinary Shares alone or in conjunction with any person and the interest of any person shall be deemed to include the interest of any other person deemed to be acting in conjunction as aforesaid.
- 80.8 A notice which has taken effect under Article 80.4 shall remain in effect in accordance with its terms following a transfer of the Ordinary Shares to which it relates unless and until the Board determines otherwise and notifies the holder accordingly.
- 80.9 If the holder of, or any person appearing to be interested in Ordinary Shares, has been served with a notice issued under Article 80.4 above (the "Disclosure Notice"), and in respect of such Ordinary Shares (the "Default Ordinary Shares") has been in default (in whole or in part) for the relevant period in supplying the Company with the information required by the Disclosure Notice, subject to Israeli law and notwithstanding anything to the contrary in these Articles, the restrictions referred to in Article 80.10 below shall apply. Those restrictions shall cease to apply the trading day after the earlier of:
 - 80.9.1 due compliance to the satisfaction of the Board with the Disclosure Notice;
 - 80.9.2 receipt by the Company of a notice that the stockholding has been sold to a third party under an arm's length transfer; or
 - 80.9.3 the decision of the Board to waive those restrictions in whole or in part.

80.10 The restrictions referred to below shall apply only if the Default Ordinary Shares in which any one person is interested, or appears to the Company to be so interested, represent at least 1 percent of the issued and outstanding Ordinary Shares. The holders of the Default Ordinary Shares shall not be entitled in respect of those Default Ordinary Shares:

80.10.1 to receive any dividend (including bonus shares/stock dividend), it being noted that any such dividends shall be set aside by the Company and distributed to the holders of the relevant Default Ordinary Shares (without any interest, linkage differentials or any other additional compensation or penalty) promptly upon such holder's supplying the Company with the information required by the relevant Disclosure Notice; or

80.10.2 to transfer any such Default Ordinary Shares or any rights in them (subject to Article 80.11).

80.11 The restrictions in Article 80.10 above shall not prejudice the right of either the Shareholder holding the Default Ordinary Shares or, if different, any person having a power of sale over such Default Ordinary Shares, to sell or agree to sell such Default Ordinary Shares under an arm's length transfer.

80.12 If, while any of the restrictions referred to above apply to an Ordinary Share, another Ordinary Share is issued pursuant to the rights attached to such Ordinary Share, the same restrictions shall apply to that other Ordinary Share as if it was a Default Ordinary Share.

80.13 Where a Disclosure Notice is served on a Depositary and the Depositary fails to comply for any reason with the Disclosure Notice, the provisions of Article 80.9 and Article 80.10 will only be implemented by the Company in relation to those Default Ordinary Shares in respect of which there has been a failure, and will not be implemented in relation to any other Ordinary Shares in the Company held by the Depositary. A "Depositary" in this Article 80.13 means any person who is a Shareholder in the Company by virtue of it holding Ordinary Shares as trustee for those who have elected to hold Ordinary Shares in the Company in dematerialised form through depositary interest.

80.14 For the purposes of this Article 80:

80.14.1 an "arm's length transfer" in relation to any Ordinary Share is a transfer pursuant to a sale of the whole of the legal or beneficial ownership of the Ordinary Shares to a bona fide third party unconnected with the Shareholder or with any person appearing to be interested in such stock including any such sale on a recognised investment exchange or on any stock exchange outside the United Kingdom on which the stock is listed or normally traded;

- 80.14.2 “interest” in a person means legal or beneficial ownership of any securities of such person;
- 80.14.3 “person” means any individual, firm, partnership, association, company or other entity;
- 80.14.4 the "relevant period" shall be the period set out in the Disclosure Notice;
- 80.14.5 “transaction” means the transaction that triggered the notification requirements under Article 80.1;
- 80.14.6 the percentage of the issued Ordinary Shares referred to in Articles 80.1 and 80.10 shall be calculated by reference to the Ordinary Shares in issue at the time when the Disclosure Notice is given (excluding Dormant Shares); and
- 80.14.7 a person shall be treated as appearing to be interested in any Ordinary Shares if the Company has given to the Shareholder holding such shares a Disclosure Notice and either (i) the Shareholder has named such person as being interested in the Ordinary Shares, or (ii) after taking into account any response to any Disclosure Notice and any other relevant information, the Company knows or has reasonable cause to believe that the person in question is or may be interested in the Ordinary Shares.

Resolutions 1 through 7 shall be deemed adopted if approved by the holders of a simple majority of the voting power of the Company represented at the meeting in person or by proxy and voting thereon.

Pursuant to Section 182 of the Israeli Companies Law -1999, Shareholders of record at the close of business on May 3, 2007 are entitled to notice of, and to vote at the Meeting (Record Date).

No business shall be transacted at the Meeting unless a quorum of at least two Shareholders present in person or by proxy holding, in the aggregate, at least 25% of the voting rights in the Company (the "Quorum"). If within half an hour from the time appointed for the Meeting such a Quorum is not present, the Meeting shall stand adjourned to Sunday June 10, 2007 at the same place and time. If a Quorum is not present at the second meeting within half an hour from the appointed, the quorum shall be reduced to one or more Shareholders present in person or by Proxy.

Pursuant to the Companies Law Regulations (Proof of Ownership of shares for voting in General Meetings) – 2000, Shareholders are entitled to participate and vote in the Meeting, either in person or by proxy, pursuant to a proxy duly delivered at the Company's registered offices, at least 24 hours before the Meeting.

With respect to Sections 1 through 5, above, the Shareholders are entitled to vote by means of the written ballot available upon request from the Company. The written ballot shall be valid, solely if delivered to the Company (including certified mail) at least 72 hours before the Meeting: Shareholders who are not registered in the Company's Shareholders Registrar – proof of ownership; Shareholders who are registered in the Company's Shareholders registrar – photocopy of ID, passport or Certificate of Incorporation.

The distribution website of the Israeli Securities Authority is <http://www.magna.isa.gov.il>

The website of the Tel Aviv stock exchange is: <http://www.maya.tase.co.il>