



## **XFONE, INC.**

# **POLICY REGARDING SHAREHOLDER RECOMMENDATIONS AND NOMINATIONS FOR DIRECTOR CANDIDATES**

### **1. Shareholder Recommendations of Director Candidates.**

a. **Acceptance of Recommendations.** It is the policy of the Nominating Committee (the “Committee”) of the Board of Directors (the “Board”) of Xfone, Inc. (the “Company”) to consider recommendations for candidates to the Board of Directors from the Company’s shareholders. A shareholder that desires to recommend a candidate for election to the Board of Directors shall direct the recommendation in written correspondence by letter to Xfone, Inc., Attention: Corporate Secretary, at the Company’s offices at 5307 W. Loop 289, Lubbock, Texas 79414, Fax: (806)-788-3398 / Email: alon@xfone.com. Such written letter must include the candidate’s name, home and business contact information, detailed biographical data, relevant qualifications, information regarding any relationships between the candidate and the Company within the last three (3) years, and a written indication by the recommended candidate of her/his willingness to serve. Such recommendations must also include a statement from the recommending shareholder in support of the candidate, particularly within the context of the criteria for Board membership, as described in the Charter of the Committee of the Board of Directors, including issues of character, integrity, judgment, diversity of experience, independence, area(s) of expertise, corporate experience, length of service, potential conflict(s) of interest and other commitments, and personal references.

b. **Evaluation of Candidates.** The Committee shall evaluate each candidate for the Board recommended by a shareholder in accordance with the guidelines and criteria set forth in the Charter of the Committee. The Secretary of the Company will provide a copy of the Charter of the Committee upon request in writing from a shareholder. Such requests should be directed to:

Xfone, Inc.  
Attention: Corporate Secretary  
5307 W. Loop 289  
Lubbock, Texas 79414  
Fax: (806)-788-3398  
Email: alon@xfone.com

**2. Shareholder Nominations of Director Candidates.** A shareholder that desires to nominate a person directly for election to the Board of Directors at an annual meeting of the shareholders at which directors are to be elected and/or re-elected must meet the deadlines and other requirements set forth in Article 2.4 of the Company's Bylaws and/or the rules and regulations of the U.S. Securities and Exchange Commission. The Secretary of the Company will provide a copy of the Bylaws upon request in writing from a shareholder. Such requests should be directed to:

Xfone, Inc.  
Attention: Corporate Secretary  
5307 W. Loop 289  
Lubbock, Texas 79414  
Fax: (806)-788-3398  
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**3. Modification of Policies and Procedures.** The policies and procedures set forth herein may be modified at any time as may be determined by the Board.