

Date: _____

Names of Guarantors:

Name	I.D No./ Reg .No.	Sex	Date of Birth/ Incorporation	Address

(Hereinafter: "the Guarantors")

Names of Debtors:

Name	I.D No./ Registration No.	Address

(Hereinafter: "the Debtors")

To:
Bank Leumi le-Israel B.M
 _____ Branch

**Guarantee and Indemnity for a Credit/Loan¹ Given by an "individual guarantor"
 within the meaning of the Guarantee Law, 5727-1967**

1. The Guarantee and the Secured Sums

The Guarantors, jointly and severally, hereby guarantee to **Bank Leumi le-Israel B.M.** (hereinafter "the bank") the full and punctual payment of all sums due or to become due or liable to become due to the Bank from the debtors on account of the Secured Sums, on the dates prescribed for payment of the Secured Sums as detailed in the documents which have been or will be signed by the Debtors in connection with the Secured Sums (hereinafter: "the Credit Documents") or, upon the Bank's first demand on an earlier date in those cases where the Bank will be entitled thereto.

By virtue of this Guarantee, the Guarantors undertake to pay the Bank, forthwith upon its first demand, all and any of the Secured Sums as stated above.

For the purpose of this Guarantee, the expression "Second Sums" shall means:
 All the sums – due or becoming due or which may be due to the Bank from the Debtors on account of, in respect of or in connection with:

(a) Credit(s)/loan(s)¹ as follows:

1	Credit amount	_____ (_____)
	Linkage type	unlinked/linked ¹ to foreign currency/in foreign currency/linked to the CPI ²
	Credit period	From date _____ to date _____ / For the period of _____ month ³
2	Credit amount	_____ (_____)
	Linkage type	unlinked/linked ¹ to foreign currency/in foreign currency/linked to the CPI ⁴
	Credit period	From date _____ to date _____ / For the period of _____ month ⁵

received and/or which will be received y the Debtors together with interest, linkage differentials (if any), exchange rate differentials (if any) as more particularly set out in the Credit Documents as will be and/or have been signed by the Debtors.

¹ Delete as appropriate.

² Complete/in the case of a loan/credit in foreign currency, specify the currency and the amount in the currency of the loan/credit.

³ If the loan/credit is a future loan/credit, the number of months must be completed / un other cases, the date of commencement and date of maturity of the debt must be completed.

⁴ Complete/in the case of a loan/credit in foreign currency, specify the currency and the amount in the currency of the loan/credit.

⁵ If the loan/credit is a future loan/credit, the number of months must be completed / un other cases, the date of commencement and date of maturity of the debt must be completed.

- (b) Any debit balance in any current account of the Debtors created (or which will increase) as a result of the debiting of such account in respect of sums due or becoming due to the Bank from the Debtors in respect of and in connection with the credit(s)/loan(s)¹ mentioned in sub-clause (a) above.
- (c) Any debit balance in an arrears account used by the Bank, at its discretion, for purposes of debiting such account in respect of sums due or becoming due the Bank from the Debtors in respect of and in connection with the credit(s)/loan(s)¹ mentioned in sub-clauses (a) above.
- (d) Any credits/loans¹ advanced for the purpose of discharging all or any of the sums set out in sub-clauses (a)-(c) above provided the Guarantors will be entitled to prepay those sums mentioned in this sub-clause prior to the due date of payment thereof.
- (e) Notwithstanding the foregoing, the Guarantors are aware that:
 - (1) The maximum rate of interest that the Bank will be entitled to charge them following a delay in the payment of the Secured Sums by the Debtors is 4% above the rate prescribed in the agreement between the Bank and the Debtors absent of delay in payment; and
 - (2) The Bank will be entitled to charge the Guarantors, in addition to the amount of the Guarantee specified above, all the expenses due and becoming due to the Bank from the Debtors as determined by any Court or the Chief Execution Officer, current account management fees, payment collection charges, insurance premiums and fees imposed under any law, as well as all such additional sums as will be determined by the Minister of Justice and/or as are and/or will be permitted by law.

2. Demands for Payment

- (a) The Bank shall be entitled, at its option, to demand payment of the Secured Sums from the Guarantors in one or more demands, save that the total amount which the Guarantors shall be required to pay by virtue of this Guarantee shall not exceed the Secured Sums as defined above.
- (b) If the Secured Sums are credit(s)/loan(s)⁶ in foreign currency, the following will apply:
 - (1) Whenever any amount is to be paid by the Guarantors in New Israeli Shekels, by virtue of this Guarantee, there shall be calculated the amount in the currency of the credit(s)/loan(s) which the Guarantors could purchase at that date for the said amount of New Israeli Shekels at the Bank's customary rate for the currency of the credit(s)/loan(s) customary at the date of payment;
 - (2) Whenever any amount is to be paid by the Guarantors in any other foreign currency (that is to say, any foreign currency other than that of the currency of the particular credit/loan) – there shall be first calculated the amount in New Israeli Shekels which the Guarantors could have received at that date against the sale of such foreign currency at the Bank's customary rate at the time of such payment and thereafter there shall be calculated the amount in the currency of the credit(s)/loan(s) which the Guarantors could have purchased at that date for the like amount of New Israeli Shekels at the Bank's customary rate customary at the date of payment.
- (c) Without derogating from the Secured Sums as specified in Clause 1 above, each amount which the Guarantors shall be required to pay to the Bank by virtue of this Guarantee and which shall not be paid to the Bank within 15 (fifteen) days of the date of its receiving such demand shall bear interest at the rate specified in Clause 1 (e) above for the period commencing from the date of receipt of the aforesaid demand until the date of actual payment.
- (d) Each amount due or to become due to the Bank from the Debtors on account of the Secured Sums in or in respect of foreign currency shall be paid by the Guarantors to the Bank (if they are required to pay the same) by paying the countervalue thereof in Israeli currency calculated according to the Bank's customary rate prevailing at the date of actual payment; save that the Bank shall be entitled to demand payment from the Guarantors, in whole or in part, in the relevant foreign currency.

3. Validity of the Guarantee

This Guarantee and all the Bank's rights thereunder shall be in addition to, and independent of, all other collateral and securities which the Bank has already received or shall hereafter receive from or for the Debtors and shall not affect or be affected by the

⁶ Delete as appropriate.

same; and this Guarantee shall serve as a continuing guarantee binding upon the Guarantors (and their successors, including heirs, executors, administrators, receivers and liquidators) and shall continue to remain in full force and effect until the Bank shall confirm to the Guarantors in writing that their liability under this Guarantee has been terminated, even if at any time prior to such confirmation there shall exist no indebtedness/liability whatsoever of the Debtors to the Bank.

For the avoidance of doubt, it is hereby declared that where the Bank has sent or shall send to the Guarantors or to any one or more of them reminder(s) concerning the existence of this Guarantee, such fact shall not be deemed to impose an obligation on the Bank to send such reminder(s), and the omission by the Bank to send such reminder(s) shall not be interpreted as confirmation by the Bank of the termination of the liability of the Guarantors as aforesaid.

4. Sums Received

In the event that any payment having been or hereafter received by the Bank from any source on account of the Secured Sums or any collateral or security which has been or will be given in favour of the Bank by the Debtors or by the Guarantors or any one or any number of them or by any other party or parties on their behalf. Shall be deemed to be avoided by virtue of any provision of law pertaining to bankruptcy or liquidation in force for the time being, and it subsequently transpires that, relying on such payment, collateral or security, the Bank acknowledged that the liability of the Guarantors or of any one or number of them under this Guarantee had terminated, or the Bank made any other arrangement with the Guarantors or with any one or number of them, the Guarantors will continue to guarantee the Bank the payment of the Secured Sums as if such acknowledgement or arrangement had never been made or given.

5. Right of Lien

- (a) The Bank shall have a right of lien over all the Amounts and Assets Due to the Guarantors by the Bank (as such term is defined in this Clause below) and the Bank may at any time, without being obliged to notify the Guarantors thereof in advance, detain them until the discharge of all the Secured Sums, whilst maintaining a reasonable ratio between the Amounts and Assets Due to the Guarantors by the Bank that are detained as aforesaid, and the Secured Sums. In respect of those parts of the Secured Sums whose payment date has not yet occurred, the Bank shall be entitled to act in accordance with the foregoing, if it has a reasonable concern that such amounts will not be paid to the Bank in full and on time.
- (b) In addition to the aforesaid, if an attachment is imposed over any amount and/or any asset of the Amounts and Assets Due to the Guarantors by the Bank - the Bank shall have a right of lien in respect of the said amount and/or asset, as the case may be, until the said attachment's removal; provided that the right of lien pursuant to this sub-clause shall only apply to the Amounts and Assets Due to the Guarantors by the Bank in an overall amount and/or value not exceeding the undischarged balance of the Secured Sums from time to time.
- (c) In the cases set forth in Clauses 5(a) and 5(b) above, the Guarantors shall not be entitled to withdraw the Amounts and Assets Due to the Guarantors from the Bank or any part thereof or to act therein or in relation thereto in any other manner without the Bank's consent, and the Bank may prevent the Guarantors from effecting any disposition therein.
- (d) The Bank shall notify the Guarantors of its exercise of any of its rights according to this Clause following such exercise.
- (e) For the purpose of this Clause "**the Amounts and Assets Due to the Guarantors from the Bank**" shall mean all monies, in Israeli currency or in foreign currency, due or that shall be due to the Guarantors from the Bank in any account and/or deposit of the Guarantors at the Bank and/or in any way or on any cause, and over all the bills, securities, bills of lading, documents, moveable property and other assets of whatsoever type of the Guarantors (whether the Guarantors have given or shall give them to the Bank or any third party has given or shall give them to the Bank for them for collection, collateral or safekeeping and/or for any other purpose) and over their proceeds, including over the rights of the Guarantors in connection with all the aforesaid.

6. Right of set-off

Furthermore, without prejudice to the Bank's right of lien aforementioned, whenever the Guarantors shall be demanded to pay to the Bank any amount becoming due to it from them under this Guarantee then, from such time:-

- (a) The Bank may (but is not obliged) at any time, without being obliged to notify the Guarantors thereof in advance:
 1. to set off any Amount Due to the Bank from the Guarantors (as such term is defined in this Clause below) from the Amounts Due to the Guarantors from the Bank even prior to the payment date of the Amounts Due to the Guarantors from the Bank as aforesaid, against which the set off is effected;
 2. to purchase any amount in foreign currency required for the purpose of discharging any Amount Due to the Bank from the Guarantors or sell any foreign currency standing to the credit of the Guarantors at the Bank, and use the sale proceeds for the discharge of any Amount Due to the Bank from the Guarantors or, as the case may be, for the purchase of another foreign currency required for the discharge of the Amount Due to the Bank from the Guarantors;
 3. to debit any account and deposit of the Guarantors at the Bank, whether or not mentioned herein, in any amount from the Amount Due to the Bank from the Guarantors, and if the aforesaid amounts or some of them are in respect of foreign currency credit - debit any account and deposit as aforesaid of the Guarantors

maintained in such currency, or any account of the Guarantors maintained in Israeli currency or in another foreign currency in the counter-value thereof (in Israeli currency or in the other foreign currency) in accordance with the Bank's customary on the date of debiting the account as aforesaid.

- (b) The Bank may effect set-off without any prior notice; however, in the following cases, the Bank may only effect the set-off subject to prior notice to the Guarantors:
1. in the event of the set-off of amounts due to the Guarantors from the Bank the date for payment whereof is not yet due;
 2. in the event of the set-off of a fixed deposit which, but for the set-off, would be extended or renewed automatically, such that certain rights or benefits would have derived to the Guarantors.

Notwithstanding the aforesaid, if the delay in effecting the set-off might adversely affect the Bank's position or prejudice any of its rights - the set-off shall be effected immediately. Furthermore, if notice has been sent and during the period specified therein there is an attachment, notice of receivership of the Guarantors' assets or a similar incident - the set-off shall be effected immediately.

- (c) Any purchase or sale as set forth in Clause 6(a)2 above shall be effected (if effected) at the Bank's customary rate, from amounts in Israeli currency or from amounts in foreign currency, as the case may be, standing to the Guarantors' credit at the Bank or received from the realization of any collateral given to the Bank by or for the Guarantors.
- (d) Any debit as set forth in Clause 6(a)3 above and any debit mentioned below shall be effected (if effected) in an existing account or deposit or in an account or deposit to be opened for such purpose by the Bank in the Guarantors' name, whether the account or deposit to be debited has a credit balance or a debit balance or goes into a debit balance as a result of being debited as aforesaid; and the debit balance (if any) in the account or deposit debited as aforesaid shall bear Interest at the rate determined in sub-clause 1(e)(1) above. However, if as a result of any debit in respect of foreign currency as aforesaid or as set forth below, any account goes into a debit balance or the debit balance therein increases, then, if the said account is managed in Israeli currency, the Bank may, at any time, credit the account and debit in the counter-value thereof any account or deposit of the Guarantors in the relevant foreign currency at the Bank's customary rate on the date of debiting the account or deposit in foreign currency as aforesaid; and if the said account is maintained in foreign currency, the Bank may, at any time, credit the account and debit in the counter-value thereof any account or deposit of the Guarantors in Israeli currency at the Bank's customary rate on the date of debiting the account as aforesaid.
- (e) The Guarantors hereby acknowledge that they are aware that where the Bank exercises rights of set-off as aforesaid prior to the payment date of any amount from the Amounts Due to Guarantors from the Bank, in the Guarantors' deposits at the Bank, there may be changes to the Guarantors' detriment concerning their rights in respect of or in connection with the said amount (for example with regard to interest rates, linkage, exchange rate differentials, rights to bonuses or loans, an exemption from or reduction in income tax and deductions at source) and the Bank may deduct from said amounts commissions, expenses and payments customarily charged by the Bank on the breaking of any kind of deposits including, savings, Israeli currency deposits and foreign currency deposits by the Guarantors.
- (f) For the purpose of this Clause the following expressions shall bear the meanings set forth alongside them:
- "the Amounts Due to the Guarantors from the Bank"** – all monies, in Israeli currency or in foreign currency, due or that shall be due to the Guarantors, subject to any law, from the Bank, in any account and/or deposit of the Guarantors at the Bank and/or in any way or on any cause.
- "the Amounts Due to the Bank from the Guarantors"** shall mean all monies, in Israeli currency or in foreign currency, due to the Bank from the Guarantors on the day of the set off in any account and/or in any way or on any cause notwithstanding amounts that their payment date has occurred due to a demand for immediate repayment and/or acceleration of repayment under law and/or according to an agreement with the Guarantors.

7. **Release from the Duties of a Holder**

The Guarantors hereby release the Bank – in respect of any Bill signed or endorsed by the Guarantors – from all and any of the duties of a holder (such as: presentation for acceptance or payment, protest, the giving of notice of non-acceptance or dishonor).

8. **Release from Liability in Certain Circumstances**

The Guarantors release the Bank from all and any liability in respect of all damages, losses, expenses and payment which may be directly and/or indirectly incurred by them;

- (a) As a direct result of any circumstances over which the Bank has no control and provided the Bank has taken all reasonable measures to fulfill its undertakings throughout the occurrence of these circumstances ;
- (b) As a results of the Bank's reasonable use of various means of communication such as: mail, telephone, telex, fax or any other form of communication or conveyance whether public or private, as a result of any loss, delay, misunderstanding, defacement or spoilage due to any such use, provided the Bank will not be released if such damage; loss or expense resulted from the Bank's negligence.

9. Legal Proceeding

In addition to that stated in Clause 2 above, in the event of any claim being instituted by the Bank against the Guarantors for the payment of any sum due or becoming due from them by virtue of this Guarantee, the Bank will be entitled, in respect of the period commencing from the date of the filling of such claim until the date of actual payment thereof, to sue for interest at the rate specified in Clause 1 (e) (1) above, and the Guarantors hereby agree to the judicial authorities adjudicating them liable for payment of such interest if the bank sues for interest at such rate.

10. Books of the Bank and Certificate of the Bank

- (a) All the Entries in the Books of the Bank a copy of such Entries, or the last page of such Entries will serve as admissible evidence in order to prove of the correctness thereof.

The Guarantors shall examine each copy statement of account, notice and letter sent or delivered to them in any manner by the Bank, or through any automatic machine or computer terminal, and shall furnish the Bank with their observations (if any) thereon, in writing, within 60 (sixty) days of the date of their being sent or given by the Bank, and copies of any account, notice or letter sent to the Guarantors through any automatic machine or computer terminal shall be deemed to have been delivered to the Guarantors by the Bank.

- (b) The Bank's certificate in writing concerning the interest rates, the Bank's customary rate or the Bank's commissions for the period or periods to which such certificate relates – shall serve as prima facie proof of that stated therein.

11. Waivers

- (a) No waiver by the Bank or compromise shall bind the Bank, unless made in writing.
- (b) A waiver by the Bank in favour of the Guarantors of a prior breach or non-observance of one or more of their obligations under this Guarantee in favour of the Bank shall not be deemed to be a justification or excuse for a further breach or non-observance of any condition or undertaking as aforesaid; and the forbearance of the Bank from the exercise of any right granted to it under this Guarantee or by law shall not be construed as a waiver of such right; no waiver by the Bank, compromise or other arrangement whatsoever with the Bank shall bind the Bank unless made in writing.

12. Addresses and Notices

The Guarantor's mailing address, including for the service of legal process is as mentioned above, or any other address in Israel which the Guarantors notify the Bank in writing thereof.

With the Bank's consent, the Guarantors may also give the Bank, as a mailing address, their e-mail address, which shall be deemed the Guarantors' address for all intents and purposes.

All notices, demands, copy statements of account or any other document of whatsoever kind (including any negotiable instrument) may be sent or delivered by the Bank to any of the Guarantors by ordinary mail or by any other method it may select (including by automatic machine or by computer terminal or by email. Any such document sent by the Bank to the Guarantors by ordinary mail at their address aforementioned, shall be deemed to have been received by the Guarantors within 72 hours after the date of its dispatch, except in cases in which the Bank is obliged by law to send notices to guarantors by registered post. A registered letter sent by the Bank shall be deemed to have been received by the Guarantors four days after the date of its dispatch.

13. Governing Law

This Guarantee shall be governed by and interpreted in accordance with, the laws of the State of Israel.

14. Place of Jurisdiction

The Bank and the Guarantors hereby agree that the exclusive place of jurisdiction for all purposes of this document shall be the Court in the city nearest to the branch in which the relevant account of the Debtors is operated, from amongst the following:

Jerusalem, Tel Aviv, Haifa, Beer Sheva, Nazareth or Eilat, or, at the plaintiff's election, the court nearest to the branch in which the account of the Debtors is maintained.

15. Definitions

In this Guarantee, the following expressions shall bear the meanings set forth alongside them, unless another meaning is attributed to them in the relevant clause:

- (a) "Consumer Price Index" or "CPI" – the index known as the "Consumer Price Index" including fruit and vegetables, published by the Central Bureau of Statistics, including such index even if published by any other official institute or body, and also any other official index which shall replace it, whether or not based on the same data as those upon which the existing index is based. If it shall be replaced by another index which shall be published by an official institute or body as aforesaid and such institute or body does not determine the relationship between it and the replaced index, then the Central Bureau of Statistics shall determine this relationship, and if not so determined as aforesaid, then the Bank will determine in consultation with economic experts chosen by it the relationship between the said index and the replaced index;
- (b) "the Bank's customary rate" - the "Bank Leumi Rate" as defined below.
- (c) "Bank Leumi Rate", with respect to any sale of foreign currency by the Guarantors – the rate for transfers and cheques, or of banknotes, as the case may be, to be determined by the Bank on the relevant date as the "Bank Leumi Rate", at which the Bank purchases the relevant foreign currency from its customers in exchange for Israeli currency; and with respect to any purchase of foreign currency by the Guarantors or debiting of the Guarantors' account in Israeli currency in the countervalue of the foreign currency – it means the rate for transfers and cheques, or of banknotes, as the case may be, to be determined by the Bank on the relevant date as the "Bank Leumi Rate", at which the Bank sells the relevant foreign currency to its customers in exchange for Israeli currency.
- (d) "Bill" – every promissory note, bill of exchange, cheque, draft, payment order and any negotiable instrument of whatsoever kind;
- (e) "Books of the Bank" - shall be construed so as to include also any book, register, statement of account, or deposit, loan agreement, letter of undertaking, Bill signed by the Guarantors or the Debtors, card index, ledger sheet, spool, any means of data storage for purposes of electronic computers and any other method of data storage maintained in the ordinary course of business of the Bank;
- (f) "Entries" shall be construed so as to include also any entry or copy thereof, whether recorded or copies in handwriting or by typewriter, and whether recorded or copies by any method of printing, duplication or photography (including microfilm or microfiche) or by means of any mechanical, manual, magnetic, optic, electrical or electronic machine or by means of electronic computer recording or any other method of recording or presenting words or figures or any other symbols whatsoever customary in banks;
- (g) "the Bank" – shall include each and every one of the Bank's branches or offices, whether in Israel or abroad;
- (h) "Securities" shall be construed so as to include (in addition to its ordinary meaning) also rights, options, gold and coins, foreign securities and other assets (whether tangible or intangible), records of which are or will be maintained at the Bank within the framework of deposits of the same type as the deposit scope of an Account or Deposit.

16. The Guarantee Document

- (a) The Guarantors shall not be entitled to receive this document – but only a copy thereof – even if they discharge the Secured Sums in full to the Bank and even if the Bank shall confirm to them in writing that their liability under this Guarantee has been terminated.
- (b) This Guarantee is an additional guarantee and does not replace any Guarantee and/or any other security whatsoever given by the Guarantors or any of them in favour of the Bank in respect of the Debtors.

17. Status of the Signatories to this Document

- (a) The provisions of this document shall bind all the signatories hereto, even if one or more of those who should have signed it did not do so.
- (b) All references to the Debtors – shall be deemed to refer to the Debtors jointly, to several of them and to each one of them severally.

18. Signature by a Sole Guarantor

If this Guarantee is signed by a sole Guarantor, every reference herein shall be deemed, in so far as it refers to the Guarantors, to have been written in the singular; if this Guarantee refers to a sole Debtor, every reference herein shall be deemed, in so far as it refers to the Debtors, to have been written in the singular.

19. Signature by Several Guarantors

Each right granted or to be granted to the Bank against the Guarantors under this Guarantee, shall be deemed to be granted to the bank against the Guarantors jointly, against several of them and against each one of them severally.

20. Stamp Duty

All expenses in connection with the stamping of this document, if and when applicable shall be borne by the Guarantors, and the Guarantors hereby undertake to pay the Bank forthwith upon its first demand all such expenses.

21. Technical Changes in the Account Number and the Dividing thereof

It is hereby stated that in the event that the Bank changed the number of the loan account by of adding additional numbers to the original account number or in any other way - the validity of this Guarantee and all other securities shall not be lessened and they shall be deemed to relate to the loan account according to its new numbers. For the avoidance of doubt it is hereby stated that the Bank is hereby entitled to change the number of the loan account or to transfer the credit in the aforementioned account, whether in credit or in debit to another account, either to an existing account or to a new account that shall be opened for this purpose. Such change or transfer may be effected in any event that in the opinion of the Bank such change is required or recommended due to management, technical or clerical reasons.

In addition, the Bank shall be entitled to split the loan account to two or more accounts if the state of the loan shall justify the above mentioned split.

22. Headings

The headings to the clauses herein contained are for ease of reference only, and are not to be taken into account in the interpretation of the terms of this document.

23. Date of the Guarantee

The date of this Guarantee shall be the last date on which any of the Guarantors shall have signed this document.

24. Receipt of a copy of the Credit Documents and this Guarantee

The Guarantors hereby confirm that they have been given a reasonable opportunity to inspect this Guarantee prior to signing the same and that the Bank had given them a copy of this Guarantee and of the Credit Documents of the Debtors.

IN WITENSS WHEREOF the Guarantors have signed this Guarantee on the date specified below:

Name of Guarantor	I.D No.	No. of Guarantors	Guarantor's Portion	Signature of Guarantor	Date	Confirmation of Signature and Identity of Guarantor
			100%			
			100%			
			100%			