

**Translation of Immediate Report**

**Bank Leumi le-Israel B.M.**

Registration No. 520018078

Securities of the Corporation are listed on The Tel Aviv Stock Exchange

Abbreviated Name: Leumi

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4 May 2010  
2010-01-468867

To: Israel Securities Authority ([www.isa.gov.il](http://www.isa.gov.il))  
The Tel Aviv Stock Exchange ([www.tase.co.il](http://www.tase.co.il))

**Immediate Report Regarding the Submission of a Position Paper**

Regulation 36C of the Securities Regulations (Periodic and Immediate Reports) 1970

1. On 4 May 2010, the Company received a Position Paper, as defined in Section 88 of the Companies Law – 1999, from Mr. Joseph Mozeson regarding an item which will be discussed at the General Meeting called for 2 June 2010 at 10:30.
2. The text of the Notice of Position is attached hereto.
3. The reference number for the notice concerning the calling of the Meeting is 2010-01-459204.

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*Bank Leumi's Immediate Reports are filed in Hebrew on the distribution websites of the Israel Securities Authority and of the Tel Aviv Stock Exchange.  
This document is a translation of the original Hebrew for convenience purposes only, and in case of any discrepancy the Hebrew will prevail.*

Position Paper from a Shareholder of Bank Leumi le-Israel and a Candidate to Serve as a Director – Joseph Mozeson - Regarding the Election of Candidates for the Board of Directors, which has been set for the General Shareholders Meeting set for 2 June 2010

In accordance with Section 88 of the Companies Law – 1999 and with Regulation 6 of the Companies Regulations (Written Voting and Position Papers), 2005

As the holder of 1 share in “Bank Leumi le-Israel” and as a candidate to serve as a director at the Bank, I wish to express my position regarding the election of candidates for the Board of Directors – which is planned for the General Shareholders Meeting set for 2 June 2010 (Item 3 on the agenda).

- a. When dealing with the election of candidates for the Board of Directors of a bank, to the extent there are such, there is no doubt that we – the shareholders – must elect those who can manage the Bank in the best manner possible, while at the same time preserving its stability together with earning profits – for the benefit of its owners – the shareholders.

A banking corporation is not a regular business company like any other. A bank, by virtue of being a bank, is responsible for preserving the deposits of millions of depositors, while maintaining an appropriate level of profitability, while recognizing that both are important. Those who are responsible for managing the bank in the best manner are, of course, the members of the Board of Directors.

My decision to offer my candidacy for the Board of Directors of “Bank Leumi le-Israel” as a shareholder, and in accordance with Section 87 of the Bank’s Articles of Association, was put into practice out of a desire to have a beneficial effect on the management of the largest bank in Israel.

As someone with not inconsiderable business experience from my private business affairs, and as one for whom honesty and morality serve as my guiding lights, I believe that I can serve as a member of the Bank’s Board of Directors and contribute to its management and to its maximal success.

- b. We should recall that we – the private shareholders of “Bank Leumi le-Israel” – hold more than 85% of the ownership and voting rights in the Bank.

We – the private shareholders – therefore have the most influential power, and it is we who can determine who will manage “Bank Leumi le-Israel” and who will serve as the members of the Board of Directors.

I call on all the Bank’s shareholders, whatever the size of their holdings, to take advantage of their right to vote, and of the legal opportunity to vote from home, in

