

## **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

Leumi House, 34 Yehuda Halevi Street, Tel Aviv 65546

Phone: + 972 3 5148111, + 972 3 5149419; Facsimile: + 972 3 5149732

Electronic Mail: Yaelru@bll.co.il

10 May 2010

2010-01-475266

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))

### **Supplementary Report to the Report filed on 26 April 2010 (ref 2010-01-459204).**

#### **Main details added/supplemented:**

#### **A**

Further to the Notice of Bank Leumi le-Israel B.M. ("**the Bank**") of 26 April 2010 regarding the calling of the Bank's Annual General Meeting on 2 June 2010, the Bank further reports regarding the proposed terms of retirement of the Chairman of the Board of Directors, in accordance with Israel Securities Authority requirements, as follows:

Unanimous approval by the Audit Committee and by the Board of Directors of the terms of retirement of the Chairman of the Board of Directors

1. It is hereby stated by way of clarification that the resolution of the Audit Committee and thereafter the resolution by the Board of Directors approving the terms of retirement of the Chairman of the Board of Directors as proposed in item 5 on the agenda of the Annual General Meeting, was approved unanimously. All the members of the Audit Committee attended the meeting of the Audit Committee on 31 January 2010, at which the resolution was approved. All the members of the Board of Directors attended the meeting of the Board of Directors on 31 January 2010, at which the resolution was approved, with the exception of the Chairman of the Board of Directors.

Details of the proposed change in the terms of retirement of the Chairman of the Board of Directors:

1. As set forth in clause 5 (1) of the items on the agenda of the Annual General Meeting, it is proposed to increase the severance pay to which the Chairman of the Board of Directors is entitled by 6 salaries – that is in an amount of some NIS 807,954. Following the proposed change, the Chairman of the Board of Directors will be entitled to severance pay representing a total of 15 salaries, in accordance with number of years

that the Chairman of the Board of Directors worked at the bank, representing an amount of some NIS 2,019,885.

2. As set forth in clause 5 (2) of the items on the agenda of the Annual General Meeting, it is proposed that in light of the long period of service of the Chairman of the Board of Directors, and his significant contribution to the success of the Bank, the Chairman of the Board of Directors will receive a special retirement bonus in the amount of 7.5 salaries, representing an amount of some NIS 1,009,942.5.
3. As set forth in clause 5 (4) of the items on the agenda of the Annual General Meeting, it is proposed to extend the cooling-off period of the Chairman of the Board of Directors by 3 months, with the amount to be paid to the Chairman of the Board of Directors in respect of the cooling-off period to be increased by some NIS 488,138.66. It is also proposed to extend the cooling-off undertaking such that the Chairman of the Board of Directors will also not be employed by and not provide services to insurance companies.  
Following the change, it is proposed that a cooling-off period 9 months will be required of the Chairman of the Board of Directors (with payment of salary and ancillary payments totaling some NIS 1,464,416).
4. It is proposed to cancel the distinction between voluntary retirement and involuntary retirement regarding rights in respect of termination of work relations, and in any case the conditions applying to involuntary retirement will apply to the Chairman of the Board of Directors.

For purposes of clarification of the aforementioned proposed changes, the following are details of the main terms of retirement to which the Chairman of the Board of Directors is entitled, prior to approval of the proposed change:

1. Entitlement to the monies and rights accumulated in the provident and severance pay fund held in his name.
2. If the retirement of the Chairman of the Board of Directors is involuntary, he is entitled, in addition, to 100% severance pay up to 9 salaries, this entitlement having been determined at the time after 9 years service as Chairman of the Board of Directors. The value of this severance pay is some NIS 1,211,931. For this purpose "involuntary retirement" is "including transfer of control of the bank, non-reappointment, dismissal, death and any other retirement that is involuntary".
3. The Chairman of the Board of Directors will be subject to a cooling-off period of 6 months, and where the retirement is involuntary as set forth above, the Chairman of the Board of Directors will be entitled to payment of a salary and ancillary payments during that period, in the value of some NIS 976,277.

4. 90 days' advance notice of termination of work relations. It is clarified that in light of the proposed change, the Chairman of the Board of Directors will not be able to redeem, all or in part, the remaining balance of the advance notice period, on completion of his term of office.
5. Entitlement to redemption of vacation days not used up by the termination date.
6. Entitlement to monies and rights accumulated to the credit of the Chairman of the Board of Directors in a study fund.

## **B**

A clerical error was amended in the details of the candidate to serve as a director appearing in item 3 (c), Mr. Yehuda Drori:

In the clause "Education and employment during the last five years and details of the corporations where he serves as a director", the error was amended such that instead of "Chairman of the Board of Directors of U Bank", it will read "Director of U Bank".

### **Immediate Report on Convening of General Meeting**

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

1. On 26 April 2010, it was resolved to call an Annual General Meeting.  
Registration No. of the security with the Tel Aviv Stock Exchange entitling the holders thereof to participate in the General Meeting: 604611  
The General Meeting will be held on Thursday, 2 June 2010 at 10:30 am at Lyn House, 35 Yehuda Halevi Street, Tel Aviv
2. The date for determining the right to participate in and vote at the General Meeting is 4 May 2010.
3. Items on the agenda:  
  
Items on the agenda include:
  1. Approval of actions or transactions which require authorization according to sections 255, 262 or 268-275 of the Companies Law, 1999 (the "Companies Law").
  2. Appointment or dismissal of a Director.

Details of additional items on the agenda: Additional items on the agenda are detailed in Annex 1 attached hereto.

Note: Details of the items on the agenda must include the material facts necessary to fully understand the issues being voted on at the Meeting.

The text of the proposed resolutions or summary of their main points:

See Annex 2 attached hereto.

To the best of the Company's knowledge, the controlling shareholder of the Company will not hold, on the date for determining the right to participate in and vote at the General Meeting, shares granting it the percentage necessary to approve all resolutions on the agenda of the General Meeting, assuming that the remaining shareholders participate in the vote and vote against such resolutions.

4. The text of the Voting Paper is attached hereto as Annex 3.

Address of the website at which one may vote, in a case where the company is allowing voting through the internet: N/A

E-mail address of the company for statutory submissions required by a Stock Exchange Member in a case where the company is allowing voting through the internet: N/A

5. Required legal quorum for holding the Meeting: Three members present in person.
6. In the absence of a legal quorum, the adjourned Meeting will be held on: 9 June 2010 at 10:30 am at Beit Lyn, 35 Yehuda Halevi Street, Tel Aviv.
7. Time and place for viewing each proposed resolution whose text is not fully presented in the above agenda: The registered office of the Bank, Leumi House (11<sup>th</sup> floor), the Secretariat of the Bank, 34 Yehuda Halevi Street, Tel Aviv, Sunday to Thursday between the hours of 8:00 and 15:00.

The declarations of the candidates to serve as directors are attached to the report regarding convening of the General Meeting of 26 April 2010 (ref 2010-01-459204)

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***Bank Leumi's Immediate Reports are published in Hebrew on the Website of the Israel Securities Authority and the Tel Aviv Stock Exchange.  
The English translation is prepared for convenience purposes only.  
In the case of any discrepancy between the English and Hebrew versions, the Hebrew will prevail.***



**Annex 1**

**BANK LEUMI LE-ISRAEL B.M.**

**NOTICE TO HOLDERS OF ORDINARY STOCK**

Notice is hereby given that a Special General Meeting of the Bank will be held at Lyn House, 35 Yehuda Halevi Street, Tel Aviv, on 2 June 2010 at 10:30 am, for the following purposes:

1. To receive and discuss the Financial Statements and the Reports of the Directors and Auditors for the year ending 31 December 2009;
2. To reelect the Auditors Somekh Chaikin and Kost Forer Gabbay & Kasierer, and to authorize the Audit Committee of the Board of Directors to fix their remuneration;
3. To elect five Directors out of the following list of candidates:

Candidates proposed by the Bank's Shares Committee:

(a) Mr. David Brodet; (b) Mr. Moshe Dovrat (a Director retiring by rotation); (c) Mr. Yehuda Drori; (d) Mr. Yoav Nardi; (e) Dr. Ehud Shapira;

Candidates who are Directors who are retiring by rotation and who are offering themselves for election independently:

(f) Ms. Nurit Segal; (g) Mr. Yaakov Goldman; (h) Mr. Moshe Vidman;

Candidates who are Bank shareholders and who are offering themselves for election:

(i) Ms. Keren-Or On; (j) Adv. Tova Kagan (Kariv); (k) Adv. Etty Esther Livni; (l) Dr. Asher Halperin; (m) Mr. Avraham Rahamim Cohen; (n) Mr. Ze'ev Levenberg; (o) Mr. Natan Meir; (p) Mr. Joseph Mozeson; (q) Mr. Tamir Milikovski; (r) Mr. Shmuel Messenberg; (s) Adv. Yehoshua Ne'eman; (t) Mr. Amiad Niv; (u) Dr. Shlomo Ness; (v) Mr. Amos Sapir; (w) Mr. Robert Zentler; (x) Mr. Eran Kimchi; (y) Mr. Israel (Izzy) Tapuchi.

A separate vote will be held in respect of the election of each Director proposed as detailed in section 3 above; voters may vote for each of the candidates, and their voting is not limited to five candidates. Therefore, the order in which votes are cast will neither add nor detract. Of the number of candidates for election as a Director, only five will be elected, as detailed below.

The terms of office of the Directors who are elected at the Meeting are contingent upon the receipt of approval from the Supervisor of Banks, pursuant to Section 11A of the Banking Ordinance, 1941. For additional details, see below.

4. To approve the purchase of a new insurance policy, in respect of the liability of the Directors and other officers of the Bank and the Group, for a period of 12 months, commencing on 1 November 2009, including coverage of up to \$260 million, at a premium that shall not exceed \$1.7 million.
5. To approve the terms of retirement of the Chairman of the Board of Directors, Mr. Eitan Raff.
6. To approve the payment of a bonus to the Chairman of the Board of Directors, Mr. Eitan Raff, in respect of the financial results for 2009, in the amount of NIS 3,592,931.
7. To approve the resolutions concerning approval of holding positions and disclosure by officers, according to the text presented to the Meeting.

The majority required to approve all of the resolutions on the agenda, other than resolution no. 3, is an ordinary majority of the total voting rights of the stockholders entitled to vote and who voted in person (including by means of a voting paper with respect to the items regarding which it is possible to vote by means of a voting paper) or by proxy. For the purposes of removal of doubt, it is clarified that abstentions will not be counted among the said votes.

Regarding resolution 3, the following are details of the procedure for voting at the General Meeting:

1. The majority required to approve resolution no. 3 on the agenda, concerning the election of directors, is an “ordinary majority” of the total voting rights of the stockholders entitled to vote and who voted in person or by proxy (including by means of a voting paper) (the “**Voters**” or the “**Votes Cast by the Voters**,” as relevant).
2. For the purpose of determining whether or not an “ordinary majority” has been obtained, the Votes Cast by the Voters who voted “in favor” or “against” will be counted. “Abstain” votes that were cast among the Votes Cast by the Voters will not be counted.
3. A candidate who does not receive an “ordinary majority” as described above, out of the Votes Cast by the Voters, will not be elected or move on to Stage B (to the extent that a Stage B is held).
4. If there are more than five (5) candidates who receive an “ordinary majority” as described above, all of them will move on to Stage B. At this Stage B, the candidates who are elected, pursuant to the provisions of Article 85B of the Bank’s Articles of Association (see sub-section (d) below), will be the five who receive the largest number of the Votes Cast by the Voters.
5. The count of the highest number of the Votes Cast by the Voters will include only the “in favor” votes. At this stage, the count will not include the “against” votes (i.e., there are no “offsets.”) The count will also not include the abstaining votes. In other words, the five candidates who received the highest number of “in favor” votes will be elected (the “Elected Candidates”). If a determination needs to be made between a number of candidates who received an identical number of “in favor” votes, the determination shall be made by lot.
6. The terms of office of the Elected Candidates are contingent upon the receipt of approval from the Supervisor of Banks.

The Elected Candidates will begin to serve together simultaneously, immediately after receipt of the approval or non-objection of the Supervisor of Banks regarding the last of the candidates (the "All Inclusive Approval of the Supervisor"). Should the All Inclusive Approval of the Supervisor not be received by 1 August 2010, the terms of office of the Elected Candidates who have been approved by the Supervisor of Banks by that time will commence on 2 August 2010, and the terms of office the others shall commence at the time that the Supervisor of Banks' approval is received.

7. If there are not five candidates who pass the first stage (receipt of an "ordinary majority," as stated), a place on the Board of Directors will remain vacant, unless one of the Directors who is retiring by rotation agrees to continue to serve until the next Annual General Meeting for the election of Directors.  
If more than one of the retiring Directors agrees to continue to serve, the one with the least amount of seniority as a Director will remain, and if the amount of seniority is the same, they will agree amongst themselves as to who will remain or, alternatively, one will be chosen by lot (an "**Interim Arrangement.**")
8. It is emphasized that if any of the Elected Candidates is disqualified by the Supervisor of Banks, the candidate receiving the largest number of votes cast after such disqualified candidate (the "next in line") will not be considered to have been elected, and the position of the Elected Candidate will remain vacant until the next Annual General Meeting unless an Interim Arrangement is implemented.  
It is clarified that the retiring Director who continues to serve in accordance with an Interim Arrangement will serve until the next Annual General Meeting for the election of Directors.
9. Until the time that the Elected Candidates are approved by the Supervisor of Banks, a place on the Board of Directors will remain vacant, unless an Interim Arrangement is implemented for this interim period.
10. A separate vote will be held in respect of the election of each Director. Voters may vote for each of the candidates, and their voting is not limited to five candidates. Therefore, the order in which votes are cast will neither add nor detract.

It is noted that with respect to the election of Directors (Item 3 on the agenda):

- a. **Attention is drawn to the provisions of Section 34 (A1) of the Banking (Licensing) Law, 1981: "No person may come to an agreement with another regarding their voting for the election of a director of a banking corporation or a bank holding corporation, except in accordance with a permit granted by the Governor [of the Bank of Israel], following consultation with the Licenses Committee; this provision will not apply to a holder of means of control\* who comes to an agreement with another, that the other shall vote in the name of and on behalf of the holder for such person as the holder of means of control directs him, provided that the other shall not vote in the name of and on behalf of more than one other holder."**  
Therefore, as regards the election of the Directors, a proxy holder who is himself a stockholder of the Bank may vote in the name of and on behalf of one additional stockholder only. As regards the other matters on the agenda of the General

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\* i.e. any stockholder

**Meeting, there is nothing to prevent such a proxy holder from representing more than one stockholder.**

- b. **Pursuant to Article 82 of the Bank's Articles of Association, five Directors are retiring by rotation at the Bank's Annual General Meeting. In item 3 on the agenda, a number of candidates for election as a Director are being presented, of which only five will be elected.**

Mr. Eitan Raff, Chairman of the Board of Directors, has decided not to offer himself for re-election.

- c. Article 76 of the Bank's Articles of Association provides as follows: "Unless otherwise determined by the Company in General Meeting, the Directors shall not be less than seven nor more than fifteen in number." However, in accordance with the Proper Banking Management Directives of the Banking Supervision Department, the Board of Directors may not include more than fifteen Directors.
- d. Article 85B of the Bank's Articles of Association provides as follows: "Should the number of people being proposed for election as Directors at the General Meeting, and receiving an ordinary majority of the total voting rights of shareholders entitled to vote and who voted (by themselves, by their proxies or by voting papers) at a General Meeting, exceed the number of available positions for Directors due to be filled pursuant to the agenda of the General Meeting, the candidates receiving a higher number of votes at the General Meeting than the other candidates will be elected as Directors for the available positions. Should a determination need to be made between a number of candidates who received the same number of votes, the determination as to who shall be elected shall be made by lot."
- e. Article 86 of the Bank's Articles of Association provides as follows: "If at any General Meeting at which an election of Directors ought to take place the place of any Director retiring by rotation is not filled up he shall, if willing continue in office until the Ordinary Meeting in the next year and so on from year to year until his place is filled up unless it shall be determined at such meeting to reduce the number of Directors in office."

The date for determining the entitlement of all stockholders to vote at the General Meeting is 4 May 2010.

A stockholder entitled to attend and vote may vote by means of a voting paper, pursuant to the Companies Law and the Companies (Written Voting and Position Papers) Regulations, 2005 (the "Regulations"), such being in respect of Items 3 through 7 on the agenda.

The addresses of the distribution website of the Israel Securities Authority (the "Securities Authority") and of the website of the Tel Aviv Stock Exchange Ltd. (the "Stock Exchange"), at which the text of the voting paper and the position papers (as defined in section 88 of the Companies Law) are obtainable:

Distribution website of the Securities Authority: <http://www.magna.isa.gov.il/>

Website of the Stock Exchange: <http://maya.tase.co.il/>

Voting by means of a voting paper is to be done on the Second Part of the voting paper as published on the distribution website of the Securities Authority.



A stockholder may apply to the Bank directly and receive the text of the voting paper and the position papers.

A Stock Exchange member will send via electronic mail, free of charge, the link to the voting paper and the position papers on the distribution site of the Securities Authority to all stockholders not registered in the Register of Shareholders and whose stock is registered with such Stock Exchange member, unless the stockholder has given notice that does not wish to receive same, provided that the notice was given in respect of a particular securities account and at a date prior to the record date.

A stockholder whose stock is registered with a Stock Exchange member is entitled to receive a certificate of ownership from the Stock Exchange member through which he holds his stock, at a branch of the Stock Exchange member or via mail to his address against payment of the delivery charge only, if so requested. Such a request is to be made in advance in respect of a particular securities account.

The final date for delivery of position papers to the Bank is 14 May 2010.

The final date for delivery of voting papers to the Bank is 30 May 2010, at 10:30 am.

Apart from the option of voting by means of a voting paper in respect of the items detailed above, a stockholder entitled to attend and vote may appoint a proxy or proxies to attend and vote on his or her behalf. A proxy need not be a stockholder of the Bank.

To be effective, the proxy, together with the power of attorney (if any) under which it is signed, must reach the registered office of the Bank no less than 48 hours prior to the time of the Meeting – i.e., by 31 May 2010 at 10:30 am. In the case of stockholders who are not registered in the Register of Shareholders, he/she must attach to the proxy a certificate of ownership from a Stock Exchange member, in accordance with the Companies (Proof of Ownership of Shares for the Purpose of Voting at a General Meeting) Regulations, 2000.

The full text of framework resolutions and the details of the insurance policy, the approval of which is on the agenda of the General Meeting in items 4 and 7 may be examined at the Secretariat of the Bank at the registered office of the Bank, Leumi House (11th floor), 34 Yehuda Halevi Street, Tel Aviv, tel: 972-3-5149716, between 08:00 and 15:00.

In addition, the CVs of the candidates who have provided same may be examined at the Secretariat of the Bank, during the working hours and at the address detailed above.

Tel Aviv, 26 April 2010

By Order of the Board of Directors  
Yael (Ben Moshe) Rudnicki, Adv.  
Group Secretary

## Annex 2

### Details of the Items on the Agenda of the General Meeting:

Item 1: The Financial Statements for 2009

The Annual Report of the Bank for 2009 may be viewed at the Magna website of the Israel Securities Authority and at the website of the Bank, [www.leumi.co.il](http://www.leumi.co.il).

In addition, copies are available on request from the Secretariat of the Bank, P.O. Box 2, Tel Aviv 61000, or telephone 03-5149716.

Text of the Resolution: To receive and discuss the Financial Statements and the Reports of the Directors and Auditors for the year ending 31 December 2009.

Required Majority: An ordinary majority of the total voting rights of the stockholders entitled to vote and who voted in person (including by means of a voting paper) or by proxy.

Item 2: Reelection of Auditors

Description of Item: The Annual General Meeting is requested to approve the reelection of the joint auditors of the Bank, Somekh Chaikin and Kost Forer Gabbay & Kasierer and to authorize the Audit Committee of the Board of Directors to fix their remuneration.

At the meeting of the Audit Committee of the Bank held on 16 March 2010, it was resolved to recommend to the General Meeting to reelect the joint auditors of the Bank, Somekh Chaikin and Kost Forer Gabbay & Kasierer.

For the report to the Annual General Meeting on the remuneration of the Auditors, see page 284 of the Annual Report of the Bank.

Text of the Resolution: To reelect the Auditors Somekh Chaikin and Kost Forer Gabbay & Kasierer, and to authorize the Audit Committee of the Board of Directors to fix their remuneration.

Required Majority: An ordinary majority of the total voting rights of the stockholders entitled to vote and who voted in person (including by means of a voting paper) or by proxy.

Item 3: Election of Directors

Description of Item: Pursuant to the Articles of Association of the Bank, at the Annual General Meeting, a third of the Board of Directors will retire. Accordingly, Mr. Eitan Raff, the Chairman of the Board of Directors, Ms. Nurit Segal, Mr. Yaacov Goldman, C.P.A., Mr. Moshe Dovrat and Mr. Moshe Vidman are retiring by rotation.

The Shares Committee of the Bank, which votes by virtue of the shares owned by the State, informed the Bank that it is proposing to the General Meeting, pursuant to the Bank Shares (Arrangement Shares) (Temporary Provision) Law, 1993, to elect five candidates to serve as Directors, as follows: Mr. David Brodet, Mr. Moshe Dovrat (serving Director who is retiring by rotation and presents himself for re-election), Mr. Yehuda Drori, Mr. Yoav Nardi and Dr. Ehud Shapira.

In addition, pursuant to Article 87 of the Bank's Articles of Association, the following retiring Directors are offering themselves for re-election at the General Meeting: Ms. Nurit Segal, Mr. Yaacov Goldman, C.P.A., and Mr. Moshe Vidman.

In addition, pursuant to Article 87 of the Bank's Articles of Association, applications were received from the shareholders of the Bank, as detailed below, to the effect that the said shareholders are offering themselves for election as Directors of the Bank at the General Meeting: Ms. Keren-Or On; Adv. Tova Kagan (Kariv); Adv. Etty Esther Livni; Dr. Asher Halperin; Mr. Avraham Rahamim Cohen; Mr. Ze'ev Levenberg; Mr. Natan Meir; Mr. Joseph Mozeson; Mr. Tamir Milikovski; Mr. Shmuel Messenberg; Adv. Yehoshua Ne'eman; Mr. Amiad Niv; Dr. Shlomo Ness; Mr. Amos Sapir; Mr. Robert Zentler; Mr. Eran Kimchi; Mr. Israel (Izzy) Tapuchi.

Mr. Eitan Raff, the Chairman of the Board of Directors, since 1995, announced that he does not intend to submit his candidacy for re-election at the General Meeting. Mr. Raff has contributed much to the advancement of the business of the Bank and its betterment.

The Board of Directors expressed its appreciation to Mr. Raff, and thanked him for his major contribution to the Bank.

The election of the Directors is contingent upon the consent of the Supervisor of Banks, pursuant to Section 11A of the Banking Ordinance, 1941.

A separate vote will be held in respect of the election of each Director proposed as detailed in item 3; voters may vote for each of the candidates, and their voting is not limited to five candidates. Of the number of candidates for election as a Director, only five will be elected, as detailed below.

The CVs of the candidates who have provided same may be examined at the Secretariat of the Bank, at the registered office of the Bank, Leumi House (11th floor), 34 Yehuda Halevi Street, Tel Aviv, Tel: 972-3-5149716 between 08:00 and 15:00.

### **Voting Procedure:**

Regarding item 3, the following are details of the procedure for voting at the General Meeting:

1. The majority required to approve resolution no. 3 on the agenda, concerning the election of directors, is an “ordinary majority” of the total voting rights of the stockholders entitled to vote and who voted in person or by proxy (including by means of a voting paper) (the “**Voters**” or the “**Votes Cast by the Voters**,” as relevant).
2. For the purpose of determining whether or not an “ordinary majority” has been obtained, the Votes Cast by the Voters who voted “in favor” or “against” will be counted. “Abstain” votes that were cast among the Votes Cast by the Voters will not be counted.
3. A candidate who does not receive an “ordinary majority” as described above, out of the Votes Cast by the Voters, will not be elected or move on to Stage B (to the extent that a Stage B is held).
4. If there are more than five (5) candidates who receive an “ordinary majority” as described above, all of them will move on to Stage B. At this Stage B, the candidates who are elected, pursuant to the provisions of Article 85B of the Bank’s Articles of Association (see sub-section (d) below), will be the five who receive the largest number of the Votes Cast by the Voters.
5. The count of the highest number of the Votes Cast by the Voters will include only the “in favor” votes. At this stage, the count will not include the “against” votes (i.e., there are no “offsets.”) The count will also not include the abstaining votes. In other words, the five candidates who received the highest number of “in favor” votes will be elected (the “Elected Candidates”). If a determination needs to be made between a number of candidates who received an identical number of “in favor” votes, the determination shall be made by lot.
6. The terms of office of the Elected Candidates are contingent upon the receipt of approval from the Supervisor of Banks.  
The Elected Candidates will begin to serve together simultaneously, immediately after receipt of the approval or non-objection of the Supervisor of Banks regarding the last of the candidates (the “All Inclusive Approval of the Supervisor”). Should the All Inclusive Approval of the Supervisor not be received by 1 August 2010, the terms of office of the Elected Candidates who have been approved by the Supervisor of Banks by that time will commence on 2 August 2010, and the terms of office the others shall commence at the time that the Supervisor of Banks’ approval is received.
7. If there are not five candidates who pass the first stage (receipt of an “ordinary majority,” as stated), a place on the Board of Directors will remain vacant, unless one of the Directors who is retiring by rotation agrees to continue to serve until the next Annual General Meeting for the election of Directors.

If more than one of the retiring Directors agrees to continue to serve, the one with the least amount of seniority as a Director will remain, and if the amount of seniority is the same, they will agree amongst themselves as to who will remain or, alternatively, one will be chosen by lot (an “**Interim Arrangement.**”)

8. It is emphasized that if any of the Elected Candidates is disqualified by the Supervisor of Banks, the candidate receiving the largest number of votes cast after such disqualified candidate (the “next in line”) will not be considered to have been elected, and the position of the Elected Candidate will remain vacant until the next Annual General Meeting unless an Interim Arrangement is implemented.  
It is clarified that the retiring Director who continues to serve in accordance with an Interim Arrangement will serve until the next Annual General Meeting for the election of Directors.
9. Until the time that the Elected Candidates are approved by the Supervisor of Banks, a place on the Board of Directors will remain vacant, unless an Interim Arrangement is implemented for this interim period.
10. A separate vote will be held in respect of the election of each Director. Voters may vote for each of the candidates, and their voting is not limited to five candidates.

**Additional notes to item 3 on the agenda - Election of Directors:**

- a. **Attention is drawn to the provisions of Section 34 (A1) of the Banking (Licensing) Law, 1981: "No person may come to an agreement with another regarding their voting for the election of a director of a banking corporation or a bank holding corporation, except in accordance with a permit granted by the Governor [of the Bank of Israel], following consultation with the Licenses Committee; this provision will not apply to a holder of means of control\* who comes to an agreement with another, that the other shall vote in the name of and on behalf of the holder for such person as the holder of means of control directs him, provided that the other shall not vote in the name of and on behalf of more than one other holder."**  
Therefore, as regards the election of the Directors, a proxy holder who is himself a stockholder of the Bank may vote in the name of and on behalf of one additional stockholder only. As regards the other matters on the agenda of the General Meeting, there is nothing to prevent such a proxy holder from representing more than one stockholder.
- b. **Pursuant to Article 82 of the Bank’s Articles of Association, five Directors are retiring by rotation at the Bank’s Annual General Meeting. In item 3 on the agenda, a number of candidates for election as a Director are being presented, of which only five will be elected.**

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\* i.e. any stockholder

Mr. Eitan Raff, Chairman of the Board of Directors, has decided not to offer himself for re-election.

- c. Article 76 of the Bank's Articles of Association provides as follows: "Unless otherwise determined by the Company in General Meeting, the Directors shall not be less than seven nor more than fifteen in number." However, in accordance with the Proper Banking Management Directives of the Banking Supervision Department, the Board of Directors may not include more than fifteen Directors.
- d. Article 85B of the Bank's Articles of Association provides as follows: "Should the number of people being proposed for election as Directors at the General Meeting, and receiving an ordinary majority of the total voting rights of shareholders entitled to vote and who voted (by themselves, by their proxies or by voting papers) at a General Meeting, exceed the number of available positions for Directors due to be filled pursuant to the agenda of the General Meeting, the candidates receiving a higher number of votes at the General Meeting than the other candidates will be elected as Directors for the available positions. Should a determination need to be made between a number of candidates who received the same number of votes, the determination as to who shall be elected shall be made by lot."
- e. Article 86 of the Bank's Articles of Association provides as follows: "If at any General Meeting at which an election of Directors ought to take place the place of any Director retiring by rotation is not filled up he shall, if willing continue in office until the Ordinary Meeting in the next year and so on from year to year until his place is filled up unless it shall be determined at such meeting to reduce the number of Directors in office."

Item 3 (a): Election of Mr. David Brodet as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: David Brodet (1A) Identity Number: 000088179
- (2) Date of Birth: 30 October 1944
- (3) Address for Service of Court Documents: 4 Michaelson Street Jerusalem 93707
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined
- (6) Is he an External Director as defined in the Companies Law possessing accounting and financial expertise or professional qualifications: No
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:

B.A. in Economics and Political Science, the Hebrew University of Jerusalem.

M.A. in Economics, the Hebrew University of Jerusalem.

Supplementary course in macro-economic policies – IMF (1979), Zaltzberg Seminar – supplementary course in exchange rates and currency.

Employment during the last five years:

Economic and management consultant – owner of a consulting company "David Brodet Ltd."

Chairman of the Administrative Board of Ben Gurion University.

Chairman of the Administrative Board of Keren Jerusalem.

Chairman of the Administrative Board of The Hadassah Academic College.

Chairman of the Board of Trustees of the Falk Institute for Economic Research.

Chairman of the Board of Trustees of the Protected Caring Fund.

Chairman of the Advisory Board for Dismissals and Mergers of the Anti-Trust Commissioner.

Chairman of the Public Statistics Council.

Member of the Board of Directors of the Israel Company.

Academic manager of the Caesarea (Convention) Forum.

Member of the Executive Board of the Camari Theater.

Member of the Executive of Miskanot Sha'ananim.

Member of the administrative board of the Jerusalem Institute for Israel Research.

Previously, Chairman of the Board of Directors of Hadassah (from 1999-2008).

Previously, Chairman of the Investment Committee of Makefet Pension Fund and Provident Fund (2003-2010)

Previously, Chairman of the Investments Committee of Ha'al Pension Fund (2008-2010).

Previously, Member of the Management Committee of the Blue Square Cooperative Society (2000-2009).

Previously, served as director in companies including (during the last five years): Direct Insurance (2001-2007), Aloni Hetz (2003-2010), Ikea (2000-2005), Global Medical Network (2004-2009),

Previously, served as chairman on many government committees, including, (during the last five years):

Defense Budget (2006-7), Status of National Insurance (2005).

Previously, member of the Committee for Security Perception (Meridor Committee) (2004-6), member of the Capital Market Committee (Ariav Committee) (2008)

Previously, editor of "Israel 2028 – Vision and Social Strategy in a Global World" (2008).

Previously, lecturer at institutions of higher education: Hebrew University of Jerusalem (School of Business Management, 1998-2007), Ben Gurion University (Public Policy 1998-2005), Midreshet Rupin

(Economics 1972-2006), Herzlia Inter-Disciplinary Center (Business Management and Administration, 2006 - ), National Security College (Haifa University 2005 - ).

- (10) Is he a family member of another interested party of the corporation: No
- (11) Does he possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank.

**The declaration of Mr. David Brodet, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. David Brodet as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(b): Election of Mr. Moshe Dovrat as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Moshe Dovrat (1A) Identity Number: 007209646
- (2) Date of Birth: 11 January 1945
- (3) Address for Service of Court Documents: 32/5 Uri Zvi Greenberg Street, Tel Aviv 69379
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Credit Committee, Administration Committee, and the Prospectuses Committee.
- (6) Is he an External Director as defined in the Companies Law possessing accounting and financial expertise or professional qualifications: No
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No
- (8) Date of commencement of term as a director of the corporation: 20 May 2007
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
Education: MBA and B.A. in Economics and Political Science – The Hebrew University of Jerusalem.  
Employment during the last five years: Company Director. CEO, Director and Owner of Beit Meniv Funding Ltd. and Dovrat (M.H.) Investments and Business Initiatives, Ltd.  
Director and shareholder in Tracoat Ltd.  
Director and shareholder in Beit Meniv Israel Ltd.  
Chairman of the Board of Directors of Kibbutz Kfar Blum Tourism.



Member of Management of Kfar Blum Holdings – Agricultural Cooperative Society Ltd.

Until May 2007, Director of Leumi Gemel Ltd. (now Leumi Capital Market Services Ltd.) and of Israel Discount Capital Markets and Investments Ltd.

Until October 2006, External Director of Ilex (Israel) Ltd.

Member of the Management Committee, Ra'anana Symphony Orchestra  
Member of the Coordinating Management, the Arab-Jewish Center for Economic Development.

Member of the General Assembly and Member of the Founders of the Macroeconomic Political Center.

Member of the General Assembly and Member of the Founders of the Ecological Tourism Non-profit Organization.

Member of the Public Council of the Bat-Sheva Dance Company.

Member of the Public Council and Member of the Finance Committee of the Council for a Beautiful Israel.

Member of the General Assembly of the Ramat Gan College.

(10) Is he a family member of another interested party of the corporation: No

(11) Does he possess accounting or financial expertise: Yes

**The declaration of Mr. Moshe Dovrat, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Moshe Dovrat as a Director.

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(c): Election of Mr. Yehuda Drori as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Yehuda Drori (1A) Identity Number: 000333203
- (2) Date of Birth: 20 March 1942
- (3) Address for Service of Court Documents: 9 Y.L. Gordon Street, Tel Aviv 63458
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined.
- (6) Is he an External Director as defined in the Companies Law possessing accounting and financial expertise or professional qualifications: No.
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No.

- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
 Education: B.A. in Economics – The Hebrew University of Jerusalem.  
 MBA (specializing in Finance) – The Hebrew University  
 Employment during the last five years:  
 Member and Chairman of investment committees. Director in public and private companies. Advisor on the subject of the capital market.  
 Director of U Bank.  
 Previously, Director in the following companies: Leumi Gemel and Dorad.
- (10) Is he a family member of another interested party of the corporation: No
- (11) Does he possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank.

**The declaration of Mr. Yehuda Drori, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Yehuda Drori as a Director.

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(d): Election of Mr. Yoav Nardi as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Yoav Nardi (1A) Identity Number: 634618
- (2) Date of Birth: 3 November 1944
- (3) Address for Service of Court Documents: 8 Malachi Street, Ramat Gan 52246
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined.
- (6) Is he an External Director as defined in the Companies Law possessing accounting and financial expertise or professional qualifications: No.
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No.
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the

approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.

- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
Education: B.A. in Economics – The Hebrew University of Jerusalem.  
MBA (Business and Finance) – The Hebrew University  
Employment during the last five years:  
From February 2010 – Advisor to the CEO of Bank of Jerusalem.  
From December 2008 to January 2010 – Head of the Risk Management and Nostro and Financial Risk Manager of Bank of Jerusalem.  
From 2000 to 2008 – Head of the Capital Market Division and Financial Risk Manager of Bank of Jerusalem.  
From May 2005 to February 2010 – Chairman of the Board of Directors of Jerusalem Finance and Offerings (2005) Ltd. and Jerusalem Financial Operation (2005) Ltd.  
From February 2006 to February 2010 – Director of Jerusalem Fund Management (1980) Ltd.  
From March 1996 to February 2010 – Ir Shalem Insurance Agency (1996) Ltd.  
From February 2004 to February 2010 – Bank of Jerusalem Trust Company Ltd.  
From February 1997 to December 2008, Director in Jerusalem Underwriting and Offerings Ltd.
- (10) Is he a family member of another interested party of the corporation: No
- (11) Does he possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank.

**The declaration of Mr. Yoav Nardi, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Yoav Nardi as a Director.

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(e): Election of Dr. Ehud Shapira as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Ehud Shapira\_(1A) Identity Number: 08370991
- (2) Date of Birth: 5 October 1944
- (3) Address for Service of Court Documents: 1 Belkind Street, Tel Aviv 62514

- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined.
- (6) Is he an External Director as defined in the Companies Law possessing accounting and financial expertise or professional qualifications: No.
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No.
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
 PhD in Economics and Finance – New York University  
 M.A. in Economics and Finance – New York University  
 M.Sc. in Economics and Performance Research – The Technion  
 B.A. – Economics, Statistics – Tel Aviv University  
 Employment during the last five years:  
 Previously, Senior Deputy CEO of Bank Leumi le-Israel B.M. and Acting CEO in her absence, Head of Corporate and International Banking and Manager of Credit Risks of the Leumi Group and in addition, held the following positions:  
 - Chairman of the Board of Directors in Leumi Leasing and Investments Ltd.  
 - Chairman of the Board of Directors in Leumi & Co. Investment House Ltd.  
 - Head of the Corporate Division of Leumi.  
 - Chairman of the Board of Directors in Leumi Luxembourg S.A  
 - Director of Leumi UK and in other companies in the Leumi Group.  
 - Director of the Arrangement of the Execution of the Kibbutzim Agreement  
 - Chairman of the Board of Directors of Apax-Leumi Partners Ltd.  
 From October 2006 – Serving as Chairman of the Board of Directors of the Phoenix Holdings Ltd. and holds the following positions:  
 The Phoenix Insurance Company – Chairman of the Board of Directors  
 The Phoenix Investments and Finances – Chairman of the Board of Directors  
 The Phoenix International Holdings Ltd. – Chairman of the Board of Directors  
 Excellence Investments Ltd – Director  
 Mehadrin Ltd. – Director  
 Gamma Clearing and Management Ltd. – Director  
 Ad 120 – Residential Centers for Senior Citizens Ltd. – Director  
 Atara Technology and Ventures Ltd. – Chairman of the Board of Directors
- (10) Is he a family member of another interested party of the corporation: No

- (11) Does he possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank

**The declaration of Dr. Ehud Shapira, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Ehud Shapira as a Director.

Required Majority:

See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(f): Election of Ms. Nurit Segal as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Nurit Segal (1A) Identity Number: 007134794
- (2) Date of Birth: 10 January 1943
- (3) Address for Service of Court Documents: 27 Mapu Street, Tel Aviv 63434
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Member of the Credit Committee, Risk Management Committee, and Guidelines Committee.
- (6) Is she an External Director as defined in the Companies Law and possessing accounting and financial expertise or professional qualifications: No
- (7) Is she an employee of the corporation, its subsidiary or associated company, or of an interested party: No
- (8) Date of commencement of term as a director of the corporation: 24 July 2003
- (9) Education and employment during the last five years and details of the corporations where she serves as a director:  
Education: M.Sc. in Operations Research, Case Western Reserve University, Cleveland, Ohio, USA; B.A. in Economics and Statistics, The Hebrew University of Jerusalem.  
Employment during the last five years: Company Director.  
External Director, King Ltd.  
Director, Aspen Group Ltd.  
Until May of 2009, Director, Aspen Real Estate Ltd.  
Member of the Management and Chairman of the Finance Committee of the Helicon Society for the Advancement of the Poetry in Israel (Registered Non-Profit Association).
- (10) Is she a family member of another interested party of the corporation: No

(11) Does she possess accounting or financial expertise: Yes

**The declaration of Ms. Nurit Segal, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Ms. Nurit Segal as a Director.

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(g): Election of Mr. Yaacov Goldman as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Yaacov Goldman (1A) Identity Number: 053515409
- (2) Date of Birth: 10 July 1955
- (3) Address for Service of Court Documents: 39 Nachlieli Street, Hod Hasharon 45355
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Member of the Credit Committee, Financial Statements Review Committee, Prospectuses Committee and Guidelines Committee.
- (6) Is he an External Director as defined in the Companies Law and possessing accounting and financial expertise or professional qualifications: No
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No
- (8) Date of commencement of term as a director of the corporation: 24 July 2003
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
Education: B.A. in Accounting and Economics – Tel Aviv University.  
Employment during the last five years: C.P.A., business consultant and company director.  
Director, CEO and Shareholder, Maanit-Goldman Management and Investments (2002) Ltd.  
External Director, Elron Electronic Industries Ltd., Isrotel Ltd. and Negev Ceramics, Ltd.  
Director, Mer Telemanagement Solutions Ltd., Golden House Ltd., Tagor Capital Ltd., Renewable Water Minerals Ltd. and Renewable Resources Ltd. and its affiliated companies: Renewable Resources Technologies (2008) Ltd. and Recursos – Renobables Hidricos S.L.

Until April 2009, Director and Shareholder, Sigma Capital Partners Company Ltd. (company in voluntary liquidation)

Until June 2009, Chairman of the Board of Directors at I.T.G.I. Medical Ltd., and its affiliated companies: I.T.G.I. Med (2008) Ltd. and Design & Performance (Cyprus) Ltd.

Until September 2008, Professional Secretary, the Peer Review Institute of the Israeli Institute of Certified Public Accountants.

Until May 2006, member of Special Committee for Control Matters, Premier Club Ltd.

Member of the Management and Honorary Treasurer, Israel Canada Chamber of Commerce.

Member and Audit Committee Member of the "Round-Up" (Registered Non-Profit Association).

Member of the Action Committee of the Shevach Mofet School in Tel Aviv and member of the Action Committee of the Bialik Rogozin School.

Member of the "Ofanim" society for the promotion of children and youth in Israel.

(10) Is he a family member of another interested party of the corporation: No

(11) Does he possess accounting or financial expertise: Yes

**The declaration of Mr. Yaacov Goldman, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Yaacov Goldman as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(h): Election of Mr. Moshe Vidman as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Moshe Vidman (1A) Identity Number: 00690875
- (2) Date of Birth: 19 December 1943
- (3) Address for Service of Court Documents: 14 Megadim Street, Jerusalem 96185
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Member of the Audit Committee, Risk Management Committee, Administration Committee and Prospectuses Committee.

- (6) Is he an External Director as defined in the Companies Law and possessing accounting and financial expertise or professional qualifications: No
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No
- (8) Date of commencement of term as a director of the corporation: 28 June 2004
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
 Education: MBA, Specializing in Finance, and BA in Economics and Political Science – The Hebrew University of Jerusalem.  
 Employment during the last five years: Company Manager, Representative of Revlon in Israel.  
 Owner, Moshe Vidman Ltd. and Moshe Vidman Holdings (2004) Ltd.  
 Member of the Management Committee of The Hebrew University of Jerusalem.  
 Chairman of the Board of Directors, Hebrew University Assets Ltd.  
 Director, The Israel Corporation Ltd. and subsidiaries: The Israel Corporation – Technologies (Istech) Ltd., Israel Chemicals Ltd., The Dead Sea Works Ltd. and Rotem Ampert Negev Ltd.  
 Director, Ofer Bros. Properties (1957) Ltd., Jafora Ltd., Jafora-Tabori Ltd., Melisron Ltd. and Rosebud Real Estate Ltd. and Alrov Properties and Lodgings Ltd.  
 Member of the Management Committee of Keren Jerusalem.  
 Until October 2009, External Director, Partner Communications Ltd.  
 Until February 2009, Chairman of the Board of Directors, Gibor Sport Active Wear (G.S.A.W) Ltd.  
 Until October 2007, Director, Ex-Libris Ltd.  
 Until March 2006, Director, Rotem Industries Ltd.  
 Until November 2006, Permanent Consultant to Gibor Sport Alpha Socks Ltd. (currently Gibor Sport Active Wear (G.S.A.W) Ltd.).
- (10) Is he a family member of another interested party of the corporation: No
- (11) Does he possess accounting or financial expertise: Yes

**The declaration of Mr. Moshe Vidman, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Moshe Vidman as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.



Item 3(i): Election of Ms. Keren-Or On as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Keren-Or On (1A) Identity Number: 034287755
- (2) Date of Birth: 12 April 1978
- (3) Address for Service of Court Documents: 4 Pilon Street, Tel Aviv
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined
- (6) Is she an External Director as defined in the Companies Law and possessing accounting and financial expertise or professional qualifications: No
- (7) Is she an employee of the corporation, its subsidiary or associated company, or of an interested party: No
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where she serves as a director:  
M.B.A. (specializing in capital market financing and financial engineering) – The Hebrew University of Jerusalem; Graduate of the Programme for Directors and Senior Officers in Corporations in Lahav, Faculty of Management, Tel Aviv University/  
Employment during the last five years:  
Senior advisor in Risk Management in the Banking Sector in Kessekman and Kesselman. As part of the duties, advises banks as to preparedness for Basel II.  
Work with insurance companies and investment houses regarding corporate governance issues and adaptation of their work procedures to local and international regulations, and with the Finance Ministry in the regulatory field, development of products and their adaptation to the needs of the pension savings market.  
Comptroller in high-tech company –Seinfed Ltd.
- (10) Is she a family member of another interested party of the corporation: No
- (11) Does she possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank.

**The declaration of Ms. Keren-Or On, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Ms. Keren-Or On as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(j): Election of Adv. Tova Kagan (Kariv) as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Tova Kagan (Kariv) (1A) Identity Number: 009982695
- (2) Date of Birth: 20 April 1937
- (3) Address for Service of Court Documents: 103, Ahad Ha'am Street, Tel Aviv 64253
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined.
- (6) Is she an External Director as defined in the Companies Law possessing accounting and financial expertise or professional qualifications: No
- (7) Is she an employee of the corporation, its subsidiary or associated company, or of an interested party: No.
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where she serves as a director:  
B.A. in Law, the Tel Aviv Extension of the Hebrew University of Jerusalem.  
Employment during the last five years:  
Since January 1970, owner of independent law firm dealing with company, contract and civil matters
- (10) Is she a family member of another interested party of the corporation: No
- (11) Does she possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank.

**The declaration of Adv. Tova Kagan (Kariv), as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Adv. Tova Kagan (Kariv) as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(k): Election of Adv. Ety Esther Livni as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Ety Esther Livni (1A) Identity Number: 00378237-2
- (2) Date of Birth: 1 June, 1948
- (3) Address for Service of Court Documents: 122, Wingate Street, Herzlia
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined.
- (6) Is she an External Director as defined in the Companies Law possessing accounting and financial expertise or professional qualifications: No
- (7) Is she an employee of the corporation, its subsidiary or associated company, or of an interested party: No.
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where she serves as a director:  
B.A. in Law from the Hebrew University of Jerusalem. Advocate, Graduate of Directors' course – MI"l, Graduate of the Government Centre for Environmental Leadership, Conciliator, Graduate of courses of the Israeli Bar Association and Centre for Conciliation  
Employment during the last five years:  
External Director of Ta'as, Cimatron Ltd. A.E.G. Ltd., Sony Electronics Ltd., Makefet Gemel, Migdal Gemel, Keren Yozma
- (10) Is she a family member of another interested party of the corporation: No
- (11) Does she possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank.

**The declaration of Adv. Ety Esther Livni, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Ms. Ety Esther Livni as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(l): Election of Dr. Asher Halperin as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Asher Halperin (1A) Identity Number: 2066330
- (2) Date of Birth: 29 July 1925
- (3) Address for Service of Court Documents: 6 Ori Street, Tel Aviv 64954
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined
- (6) Is he an External Director as defined in the Companies Law and possessing accounting and financial expertise or professional qualifications: No
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
 B.A. – the Tel Aviv School for Law and Economics (currently Tel Aviv University); M.A. in Economics from the University of California (Berkeley), USA; Ph.D. in Economics in the Princeton University (New Jersey, U.S.A.)  
 Employment during the last five years:  
 Lecturer for the last 15 years at the Miqlala Le'Minhal – Academic Stream
- (10) Is he a family member of another interested party of the corporation: No
- (11) Does he possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank.

**The declaration of Dr. Asher Halperin, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Dr. Asher Halperin as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(m): Election of Mr. Avraham Rahamim Cohen as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Avraham Rahamim Cohen (1A) Identity Number: 513770750
- (2) Date of Birth: 15 January 1952
- (3) Address for Service of Court Documents: 13 Tarshish Street, Kedumim

- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined.
- (6) Is he an External Director as defined in the Companies Law possessing accounting and financial expertise or professional qualifications: No
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
 B.A. in Economics, Bar Ilan University.  
 Employment during the last five years:  
 Management of a private commercial company
- (10) Is he a family member of another interested party of the corporation: No
- (11) Does he possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank.

**The declaration of Mr. Avraham Rahamim Cohen, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Avraham Rahamim Cohen as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(n): Election of Mr. Ze'ev Levenberg as a Director

Details regarding the candidate, to the best of the knowledge of the Bank

- (1) Name: Mr. Ze'ev Levenberg (1A) Identity Number: 058644337
- (2) Date of Birth: 11 March 1964
- (3) Address for Service of Court Documents: 45 Azriel Street, Givat Shmuel 54104
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined
- (6) Is he an External Director as defined in the Companies Law and possessing accounting and financial expertise or professional qualifications: No

- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
 B.A. – Natural Sciences (Medical Sciences), the Hebrew University of Jerusalem; MBA (Finance), University of Bar Ilan; Course in Basic Management of the Bank (Authorized Signatories); Course in Software Engineering, Michlala Le'Minhal – MCP qualification of Microsoft.  
 Education during the last five years:  
 From 2009, Director in Intercolony Investments Ltd.  
 From 2009, Director in Arazim Investments Ltd.  
 From 2008, Director in Adler Investments Ltd.  
 From 2002 to 2008, Director and Member of the Investments Committee in the Mutual Funds of Altsculer Shoham  
 From 1995, Lecturer at Bar Ilan University and at the Academic Stream of the Michlala Le'Minhal in Economics and Finance  
 From 2006 to 2008, responsible for the Strategic Projects Unit of the Discount Group
- (10) Is he a family member of another interested party of the corporation: No
- (11) Does he possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank

**The declaration of Mr. Ze'ev Levenberg, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Ze'ev Levenberg as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(o): Election of Mr. Natan Meir as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Natan Meir (1A) Identity Number: 492488
- (2) Date of Birth: 1 December 1943
- (3) Address for Service of Court Documents: 35 Yosef Hahami Street, Jerusalem, 96428
- (4) Nationality: Israeli

- (5) Membership of Committees of the Board of Directors: Not yet determined
- (6) Is he an External Director as defined in the Companies Law and possessing accounting and financial expertise or professional qualifications: No
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
 B.A. in Economics and Political Science, the Hebrew University of Jerusalem, MBA, the Hebrew University of Jerusalem  
 Long and short courses in administration, finance and NPA's policy and conciliation.  
 Employment during the last five years:  
 Director of the Government Publications Office (G Pubs O)  
 Member of the Council of Shazar Center, Jabotinsky Council and SOS Council.
- (10) Is he a family member of another interested party of the corporation: No
- (11) Does he possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank

**The declaration of Mr. Natan Meir, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Natan Meir as a Director

Required majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(p): Election of Mr. Joseph Mozeson as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Joseph Mozeson (1A) Identity Number: 015967797
- (2) Date of Birth: 20 June 1983
- (3) Address for Service of Court Documents: 14 Pithiya Street, Bnei Brak 51311
- (4) Nationality: Israeli, American

- (5) Membership of Committees of the Board of Directors: Not yet determined
- (6) Is he an External Director as defined in the Companies Law and possessing accounting and financial expertise or professional qualifications: No
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
 Education:  
 Torah studies, specialization and expertise in Hebrew law  
 Employment during the last five years:  
 Internet business management and private communication. Trade in securities on the Tel Aviv Stock Exchange.
- (10) Is he a family member of another interested party of the corporation: No
- (11) Does he possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank

**The declaration of Mr. Joseph Mozeson, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Joseph Mozeson as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(q): Election of Mr. Tamir Milikovski as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Tamir Milikovski (1A) Identity Number: 057690794
- (2) Date of Birth: 15 May 1962
- (3) Address for Service of Court Documents: 32 Habarzel Street, Entrance B, Tel Aviv 69710
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined.
- (6) Is he an External Director as defined in the Companies Law possessing accounting and financial expertise or professional qualifications: No



- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No.
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
 Holder of CPA Licence from Auditors' Council; Member of the Institute of Certified Public Accountant in Israel; Graduate of directors' training course for corporations on behalf of the Institute of Certified Public Accountants and Tel Aviv University; Graduate of course in the National Insurance Law and Regulations - the Institute of Certified Public Accountants and Tel Aviv University; Graduate of course in individual Taxation of the Institute of Certified Public Accountants and Tel Aviv University  
 Employment during the last five years:  
 Owner and manager of accounting firm in Tel Aviv
- (10) Is he a family member of another interested party of the corporation: No
- (11) Does he possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank.

**The declaration of Mr. Tamir Milikovski, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Tamir Milikovski as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(r): Election of Mr. Shmuel Messenberg as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Shmuel Messenberg (1A) Identity Number: 30233654
- (2) Date of Birth: 31 August 1949
- (3) Address for Service of Court Documents: 15 Mordecai Street, Petach Tikva 49313
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined.
- (6) Is he an External Director as defined in the Companies Law possessing accounting and financial expertise or professional qualifications: No.
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No.

- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
B.A. – Economics, Tel Aviv University  
M.B.A., Tel Aviv University  
Employment during the last five years:  
Vice-president, Member of Management and Head of the Corporate Division, and Responsible for Credit Risks - Bank Mizrahi-Tefahot (1993-2006)  
Director and Member of committees of the boards of the following corporations:  
Gazit Inc., Psagot Securities Ltd., Mercantile Discount Bank Ltd., Wili-Food Investments Ltd., Midas Fund Investments Ltd., Biri Brashi Earthworks Construction, Infrastructure and Roads Ltd., Direct Finance – of the Direct Insurance Ltd. Group, Arad Investments and Industry Development Ltd.  
Chairman of Non-traded Credit Committee - Menora Mivtahim Group (April 2008 – February 2009)  
Various advisory positions, including advisor to Planos Mezzanine Loans of the Viola (Dovrat) Group (August 2008 – October 2006)
- (10) Is he a family member of another interested party of the corporation: No
- (11) Does he possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank.

**The declaration of Mr. Shmuel Messenberg, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Shmuel Messenberg as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(s): Election of Adv. Yehoshua Ne'eman as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Mr. Yehoshua Ne'eman (1A) Identity Number: 004156865
- (2) Date of Birth: 6 April 1944
- (3) Address for Service of Court Documents: 1B Tar'Ad Street, Ramat Gan 52503
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined

- (6) Is he an External Director as defined in the Companies Law and possessing accounting and financial expertise or professional qualifications: No
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
 Education: B.A. in Law, The Hebrew University of Jerusalem; Continuing studies of the graduate school of the Law Faculty of New York University and Bernard Baruch, New York  
 Employment during the last five years:  
 Active as an advocate and a Director in various companies, including: the First International Bank of Israel Ltd. (2003-2009), El Al Israel Airlines Ltd. (2003-2007), Kardan Israel Ltd. (2009-), Poalim Capital Markets Investment Bank Ltd. (2003-)  
 Public activities: Wolf Foundation, Land of Israel Ltd. World ORT, Ort Braude College, Netanya ORT College and private corporations.
- (10) Is he a family member of another interested party of the corporation: No
- (11) Does he possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank

**The declaration of Adv. Yehoshua Ne'eman, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Adv. Yehoshua Ne'eman as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(t): Election of Mr. Amiad Niv as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Amiad Niv (1A) Identity Number: 008348435
- (2) Date of Birth: 23 June 1940
- (3) Address for Service of Court Documents: Almaliah Street, Cottage 25, Jerusalem 93343
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined.

- (6) Is he an External Director as defined in the Companies Law possessing accounting and financial expertise or professional qualifications: No.
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No.
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
 BA – Economics and Statistics, Hebrew University of Jerusalem.  
 Diploma in Business Administration, Hebrew University of Jerusalem.  
 Graduate, High Advanced Course for Senior Business Management, Hebrew University of Jerusalem.  
 Employment during the last five years:  
 Chairman of the Israeli Institute for Land Policy Research and Land Use by the Jewish National Fund, and chairman of the Institute’s Supreme Academic Council.  
 Chairman of the Israeli Forum for National Land Policy, and chairman of the annual national “Jerusalem Conference” on Land Policy”.  
 Chairman of the Advisory Academic Committee of the Israeli Institute for Land Policy Research and Land Use.  
 Researcher regarding topics in the development of the Jewish National Fund’s land policy.  
 Leader and founder, together with the Department of Geography and Human Environment at Tel Aviv University of a special course of studies in the fields of land policy and its development.  
 Through August 2006, member of the World Zionist Organization Executive, chairman of its Finance Committee and member of the World Zionist Organization’s Re-budgeting Committee, a sub-committee of the Finance Committee, and a member of the Finance Committee of the Board of Trustees of the Jewish Agency.
- (10) Is he a family member of another interested party of the corporation: No
- (11) Does he possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank.

**The declaration of Mr. Amiad Niv, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Amiad Niv as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(u): Election of Dr. Shlomo Ness as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Shlomo Ness (1A) Identity Number: 011710738
- (2) Date of Birth: 8 June 1960
- (3) Address for Service of Court Documents: 11A, Rambam Street, Givat Shmuel
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined.
- (6) Is he an External Director as defined in the Companies Law possessing accounting and financial expertise or professional qualifications: No.
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No.
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:
  - B.A. in Economics and Accounting, Bar-Ilan University
  - LL.B. in Law, Bar-Ilan University
  - CPA, Member of the Institute of Certified Public Accountants in Israel and Auditors' Council, Ministry of Justice
  - Advocate, Member of the Israeli Bar Association
  - Ph.D. in Law, Bar-Ilan University
  - Training course for conciliators, Ministry of Justice and Israeli Bar Association
  - Qualified information systems researcher C.I.S.A. – the International Association for Securing and Auditing Information Systems – USA.
  - Employment during the last five years:
    - Advocate and CPA in private practice – founding partner – Dr. Shlomo Ness & Co.
    - Lecturer in Company Law at the Interdisciplinary Centre, Herzlia, Tel Aviv University and Sha'arei Mishpat College
    - Lecturer in courses for training directors in Lahav – Tel Aviv University, the Israeli Management Centre, etc.
    - Chairman of the Public Council of the Israel Chamber of Information Systems Analysts
    - Chairman of the Advisory Public Council for Trade Levies
    - Member of Management of Israel Business Consultants Association
    - Member of the Budgetary Control Authority of the Israel Basketball Association (to the present date)
    - Chairman of Ayalon Insurance Company Ltd. and Ayalon Financial Solutions Ltd.
    - Deputy Chairman, Adi Pension Fund Management Ltd. of the Harel Group
    - Director, Mivne Ta'asiyah Ltd. and Chairman of the Balance Sheet Committee and Member of the Audit Committee

Chairman of the Board of Directors Yuli Capital Markets

Companies in which he serves as Director: Partner Communication Ltd. (Orange), Formula Systems 1985 Ltd., Aviv Arlon Ltd. (formerly Yuli Capital Markets Ltd.), Click Software Technologies Ltd, Tao Tesuot Ltd., Tao Tesuot Real Estate Ltd., Blue Shore Development Company Ltd., I.G.B. Israel Global Investments (1999) Ltd., IRS TKB International Consultants Ltd., Shlomo Ness & Co. Ltd., Shlomo Ness, Adv. Trust Company Ltd., Shir Lak Ltd., M.D.K. Touch Ltd., Haniman Enterprises Ltd.

Trustee and Special Manager of Hayal Holdings Ltd., Feuchwanger Holdings 1999 Ltd., Iskal Group Holdings Ltd., Diyur Le'Oleh Ltd., Zika Electrodes and Zika Holdings Ltd., Arit & Afar Building and Investments (97) Ltd., Club Market Marketing Chains Ltd., Burger Ranch Centre (1983) Ltd.

(10) Is he a family member of another interested party of the corporation: No

(11) Does he possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank.

**The declaration of Dr. Shlomo Ness, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Dr. Shlomo Ness as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(v): Election of Mr. Amos Sapir as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Amos Sapir (1A) Identity Number: 003139300
- (2) Date of Birth: 4 July 1937
- (3) Address for Service of Court Documents: 22 Michael Ne'eman Street, Tel Aviv, 69581
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined
- (6) Is he an External Director as defined in the Companies Law and possessing accounting and financial expertise or professional qualifications: No
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.

- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
 Education: B.A. in Social Sciences - Economics and International Relations, The Hebrew University of Jerusalem; MBA, Specializing in Finance, Columbia University, New York, USA; Doctoral studies – Specializing in Finance and Banking, Columbia University, New York, USA.  
 Employment during the last five years:  
 November 1999-January 2008 – Chairman of the Board of Directors, Maalot Israel Securities Rating Agency Ltd.  
 January 2008 to October 2009 - Chairman of the Board of Directors, Standard and Poors - Maalot Ltd.  
 Since January 2003 - Chairman of the Board of Directors, N. Felman & Son, Ltd.  
 Since May 1997 – Director of the Jerusalem Capital Studios Group Ltd.  
 Since December 2001 – Director of Isal Amlat Investments (1993) Ltd.  
 Since June 2007 – External Director of HOT Communications Systems Ltd.  
 Since November 2007 – Director of Log Plastic Products Ltd.  
 Since November 2007 – Director of Sixace Holdings, Ltd. and Sixace Management (1997) Ltd. (private companies under his ownership)  
 June 2004-July 2007 – Director of Tzelef Industries Ltd.  
 January 2003-January 2008 - Director of Online Media Solutions Ltd.  
 1996-January 2007 - Director of Barak ITC (1995) and since 2003, Chairman of the company's Board of Directors.  
 June 2001-March 2006 - Director of Arel Communications and Software Ltd.  
 May 2002-June 2008 – Director of Hamat Gader Ltd.  
 May 2002-June 2008 – Director of Teva Spa Ltd.  
 Member of the Management Council, Tel Aviv-Yaffo Academic College  
 Member of the Board of Trustees, Tel Aviv University.  
 Member of the Council of the Center for Educational Technology.  
 Member of the Management Committee of *Olim BeYahad* – Leadership and Excellence in Employment for Ethiopian Immigrants with Academic Training.  
 Member of the Public Council of *Midot* - Transparency and Ratings of Non-Profit Associations, Public Benefit Company.  
 Member of the Board of Trustees - Bezalel Academy of Arts and Design  
 Member of the management of various charitable non-profit societies and societies distributing scholarships and research awards.
- (10) Is he a family member of another interested party of the corporation: No
- (11) Does he possess accounting or financial expertise: Subject to the approval of the Bank's Board of Directors.

**The declaration of Mr. Amos Sapir, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Amos Sapir as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(w): Election of Mr. Robert Zentler as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Robert Zentler (1A) Identity Number: 043701291
- (2) Date of Birth: 24 February 1944
- (3) Address for Service of Court Documents: 68/9 Moshe Kol Street, Jerusalem 93715
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined
- (6) Is he an External Director as defined in the Companies Law possessing accounting and financial expertise or professional qualifications: No
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
Education: B.A. in Economics and Political Science, The Hebrew University of Jerusalem.  
Supplementary courses on economic policy issues under the auspices of the International Monetary Fund.  
Employment during the last five years:  
Member of the Standard Contracts Tribunal  
Financial-strategic consultant to private individuals and firms regarding currency exposure and management of asset and financial obligations portfolios, in Israel and abroad.  
Since 2000 –  
Chairman of the Board of Directors of "Financial and Optimum Challenges", portfolio company.  
Deputy Chairman of the Board of Directors of the Eurom Bank in Romania (until its purchase by Bank Leumi in 2006).  
Director and Member of the Investment Committee of "Psagot" and "Tachlit" Portfolio Management Company of Discount Bank.  
Director and Chairman of the Investment Committee and Member of the Audit Committee of the Provident Fund of the Employees of the Hebrew University.  
Member of the Investment Committee of "Eliahu" Insurance Company



Advisor to the Bank of Israel regarding options, advisor to the First International Bank regarding risk management, advisor to hi-tech companies regarding international marketing, advisor to a financial institution regarding international operations.

Lecturer in banking at Hebrew University and Ben-Gurion University.

- (10) Is he a family member of another interested party of the corporation: No
- (11) Does he possess accounting or financial expertise: Subject to the approval of the Bank's Board of Directors.

**The declaration of Mr. Robert Zentler, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Robert Zentler as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(x): Election of Mr. Eran Kimchi as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Eran Kimchi (1A) Identity Number: 034302406
- (2) Date of Birth: 15 November 1977
- (3) Address for Service of Court Documents: 97/11 Rothschild Street, Tel Aviv, 65235
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined
- (6) Is he an External Director as defined in the Companies Law possessing accounting and financial expertise or professional qualifications: No
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
B.A. in Economics, Tel Aviv University, MBA, Tel Aviv University.  
Holds a portfolio managers' license from the Israel Securities Authority.  
Employment during the last five years:  
Joint CEO in Duchifat T.I. Ltd., an investment company specializing in equity investments in the secondary market in Israel and the United States

Previous position during the last five years: Investment Manager with Lavi & Lavi Investments Ltd.

Director and shareholder of Duchifat T.I. Ltd.

(10) Is he a family member of another interested party of the corporation: No

(11) Does he possess accounting or financial expertise: Subject to the approval of the Bank's Board of Directors

**The declaration of Mr. Eran Kimchi, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Eran Kimchi as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(y): Election of Mr. Israel (Izzy) Tapuchi as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

(1) Name: Israel (Izzy) Tapuchi\_(1A) Identity Number: 000626010

(2) Date of Birth: 2 March 1946

(3) Address for Service of Court Documents: 13 Emek Refaim Street, Jerusalem, 93104

(4) Nationality: Israeli, Australian

(5) Membership of Committees of the Board of Directors: Not yet determined

(6) Is he an External Director as defined in the Companies Law and possessing accounting and financial expertise or professional qualifications: No

(7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: Director of Paz Oil Company Ltd.

(8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.

(9) Education and employment during the last five years and details of the corporations where he serves as a director:

Education: B.Com., specializing in Economics, Business Administration and Accounting, University of Melbourne. Certificate studies at University of Melbourne in financial system computerization and tax and companies law.

CPA – Australia, 1974.

CPA – Israel, 1981.

Employment during the last five years:

Currently a director of the following companies: Paz Oil Company Ltd., Paz Ashdod Oil Refinery, Ltd., Housing and Construction - Holdings Ltd., Mor

Group International Real Estate Ltd., Tapi Investment Ltd. and Labriz Holdings Ltd.

Member of the management of the British-Israel Chamber of Commerce, Member of the management, Israel-Britain Business Council, Member of the management of the Australia-Israel Chamber of Commerce, and Member of the management of the Switzerland-Israel Chamber of Commerce.

Active partner in the management company of Mor Group International Real Estate Ltd.

Previously, director of the following companies (among others): Harel Insurance Company until 2008, Vaica Medical Ltd. until 2008, Israel Electric Corp. until 2007, Tadiran Communications Ltd. until 2005, MDG Medical Inc. until 2006, Harel Insurance Investments and Financial Services Ltd. until 2008, Strauss Group Ltd until 2008 and Incusoft Ltd. until 2007.

(10) Is he a family member of another interested party of the corporation: No

(11) Does he possess accounting or financial expertise: Subject to the approval of the Bank's Board of Directors.

**The declaration of Mr. Israel (Izzy) Tapuchi, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Israel (Izzy) Tapuchi as a Director

Required Majority:

See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 4:            Approval of the Purchase of a New Directors' and other Officers' Liability Insurance Policy (D&O)

Description of Item: The General Meetings of the Bank have from time to time approved the renewal and purchase of insurance policies in respect of the liability of the Directors and other officers of the Bank and the Group. The Annual General Meeting of the Bank held on 5 June 2008 approved the purchase of an insurance policy in respect of the liability of the Directors and other officers of the Bank and the Group for a period of 18 months commencing 30 April 2008, which includes cover of up to \$260 million at a premium of no more than \$1.8 million.

The Audit Committee, and thereafter the Board of Directors of the Bank, approved the purchase of an insurance policy in respect of the liability of the Directors and other officers of the Bank and the Group, for a period of 12 months commencing 1 November 2009, which includes cover of up to \$260 million (with a right of reinstatement of \$250 million) at a premium not exceeding \$1.7 million.

Text of the Resolution: To approve the purchase of a new insurance policy in respect of the liability of the Directors and other officers of the Bank and the Group, for a period of 12 months commencing 1 November 2009, which includes cover of up to \$260 million, at a premium not exceeding \$1.7 million.

Required Majority: An ordinary majority of the total voting rights of the stockholders entitled to vote and who voted in person (including by means of a voting paper) or by proxy.

Item 5:        Approval of the Terms of Retirement of the Chairman of the Board of Directors, Mr. Eitan Raff

Description of the Item: On 24 January, Mr. Eitan Raff, the Chairman of the Board of Directors announced to the Bank's Board of Directors that after a period of 15 years during which he served as Chairman of the Bank's Board of Directors, he does not intend to offer himself for re-election at the Bank's General Meeting.

On 31 January 2010, the Audit Committee, and thereafter the Board of Directors, approved the terms of retirement of the Chairman of the Board of Directors, subject to the approval of the General Meeting.

The terms for the retirement of the Chairman of the Board of Directors were discussed at a number of meetings of the Administration Committee of the Board of Directors, and were thereafter discussed and approved by the Audit Committee of the Board of Directors and by the Board of Directors.

The terms of employment of the Chairman of the Board of Directors were presented to the said organs of the Bank. They were also presented with the terms of employment for the Bank's senior employees during recent years, and comparative data for similar corporations within the economy (salary and terms of employment and of retirement for chairmen of boards of directors, to the extent such were available and public).

After the Audit Committee and the Board of Directors had discussed the subject of the terms of retirement of the Chairman of the Board of Directors, taking into consideration, *inter alia*, the background material presented to them, and following examination of the recommendations of the Administration Committee of the Board of Directors, and the report regarding the standpoint of the Bank's Shares Committee regarding this issue, the Audit Committee, and following it the Board of Directors resolved to approve and recommend to the Bank's General Meeting to adopt the resolution the text of which is indicated below.

The justifications for the approval of the terms for the retirement of the Chairman of the Board of Directors:

The Chairman of the Board of Directors' contribution to the Bank's business and to its betterment, including his contribution to the Bank in the area of its non-banking investments and the activities of its subsidiaries in Israel and abroad.

The many years of service of the Chairman of the Board of Directors with the Bank's Board of Directors, and the terms of his employment (salary, grants and options), compared with the standard in the Israeli banking and financial system.

The standard at the Bank with respect to senior managers has been that, upon dismissal, managers have been entitled to compensation of 250% (in addition to the compensation fund) or to a pension from the Bank, commencing at retirement age. Managers with an especially high number of years of service with the Bank, or of an appropriate age, are entitled, at the time of dismissal to severance pay of 200% (in addition to the provident fund) or to an immediate pension from the Bank.

The amendment, over the years, of the Chairman of the Board of Directors' employment contract, such that the Chairman would be entitled to 100% of severance pay up to the date of the amendment (in addition to the provident fund), as described above.

The customary practice at the Bank regarding voluntary retirement programs for employees.

Text of the Resolution:

To approve the terms for the retirement of the Chairman of the Board of Directors, Mr. Eitan Raff, as described below:

1. The retirement compensation to which the Chairman of the Board of Directors will be entitled will be at the rate of 100% of the Chairman of the Board of Directors' last salary, for each year of service (the differentiation between dismissal and resignation was annulled) i.e., a salary in respect of each year of service. The amount of the retirement compensation constitutes a total of 15 salaries, corresponding to the number of years of employment of the Chairman of the Board of Directors with the Bank, instead of retirement compensation of 9 salaries, as laid down in the current employment contract, and which was determined after the Chairman of the Board of Directors had served for 9 years. The above-mentioned retirement compensation will be in addition to the Chairman of the Board of Directors' entitlement to monies from the provident and severance pay fund which is maintained in his name.
2. In light of the long period of service of the Chairman of the Board of Directors, and his substantial contribution to the Bank, its success and advancement, the Chairman of the Board of Directors' will also receive a special retirement grant in the amount of 7.5 salaries.
3. It is clarified that nothing in this resolution will affect the Chairman of the Board of Directors' right to receive an annual bonus for the period of his service as the Bank's Chairman of the Board of Directors, pursuant to the resolutions of the Audit Committee, the Board of Directors, and the Bank's General Meeting, to the extent such resolutions are approved.

4. To extend the Chairman of the Board of Directors' "cooling-off" period to 9 months (for which salary and accompanying payments will be made), instead of 6 months, and to expand the "cooling-off" undertaking such that the Chairman of the Board of Directors' may not be employed by and may not provide services to insurance companies.

Required Majority: An ordinary majority of the total voting rights of the stockholders entitled to vote and who voted in person (including by means of a voting paper) or by proxy.

Item 6:            Payment of a Bonus to the Chairman of the Board of Directors

Description of Item: The proposed bonus payment to the Chairman of the Board of Directors is a bonus in respect of 2009, in accordance with the long term bonus plan for senior managers at the Bank (the "Bonus Plan"). In this regard, see the Immediate Report of 10 March 2010.

The Audit Committee and thereafter Board of Directors (subject to the approval of the General Meeting) received and approved the amount of the bonus to the Chairman of the Board of Directors in respect of 2009.

Text of the Resolution: To approve the payment of a bonus to the Chairman of the Board of Directors, Mr. Eitan Raff, in respect of the financial results for 2009, in the amount of NIS 3,592,931.

Required Majority: An ordinary majority of the total voting rights of the stockholders entitled to vote and who voted in person (including by means of a voting paper) or by proxy.

Item 7:            Resolutions concerning Approval of Holding Positions and Disclosure by Officers

Description of Item: The General Meeting is requested to approve resolutions regarding the approval of holding positions and disclosure by the Bank's officers. Similar resolutions were approved by the Annual General Meeting held on 16 July 2009.

The Companies Law imposes on the officers of the Bank a duty to refrain from any act that may constitute a conflict of interests between holding their positions in the Bank and holding another position, including a position with companies in the Leumi Group, or their personal interests. However, the Bank may approve the existence of such a conflict of interests; that is to say, the Bank may agree that its officer hold a position in addition to his positions in the Bank, after the officer has disclosed to the Bank the positions he holds outside the Bank.

It is clarified that the approval set out in the proposed resolutions does not constitute approval of a specific act or transaction in which an officer of the Bank is involved through his position outside the Bank, if such specific act or transaction requires approval under the Companies Law.

In addition, the Companies Law imposes on officers the obligation to disclose existing or proposed transactions of the Bank in which the officer has a personal interest. Where such personal interest also includes a personal interest of a corporation in which the officer or his relative has an interest (such as acting as a director of such corporation) such a duty of disclosure is imposed on the officer, whether or not the transaction is in the ordinary course of business. The Companies Law also sets out the manner of approval of such transactions of the Bank and provides that the Bank may approve transactions in the ordinary course of business in the manner provided in its Articles of Association.

It is therefore proposed that these resolutions be approved, following their approval by the Audit Committee and subsequently by the Board of Directors, as required by the Companies Law.

Text of the Resolution: To approve the resolutions concerning approval of holding positions and disclosure by officers, pursuant to the text presented to the Meeting.

Required Majority: An ordinary majority of the total voting rights of the stockholders entitled to vote and who voted in person (including by means of a voting paper) or by proxy.

### Annex 3

## **BANK LEUMI LE-ISRAEL B.M.**

**Voting Paper pursuant to the Companies (Written Voting and Position Papers) Regulations, 2005 (the "Regulations") in respect of the Annual General Meeting to be held on 2 June 2010.**

### First Part

1. Name of Company: Bank Leumi le-Israel B.M. (the "Bank").
2. Type of General Meeting, Date and Place at which to be Held: Annual General Meeting. The General Meeting will be held on 2 June 2010 at 10:30 am at the offices of the Bank at Lyn House, 35 Yehuda Halevi Street, Tel Aviv. Should the Meeting be adjourned, the adjourned Meeting will be held on 9 June 2010, at the same place and time.
3. Details of the items on the agenda in relation to which one may vote by means of a Voting Paper:

Item 3:        Election of Directors

Description of Item: Pursuant to the Articles of Association of the Bank, at the Annual General Meeting, a third of the Board of Directors will retire. Accordingly, Mr. Eitan Raff, the Chairman of the Board of Directors, Ms. Nurit Segal, Mr. Yaacov Goldman, C.P.A., Mr. Moshe Dovrat and Mr. Moshe Vidman are retiring by rotation.

The Shares Committee of the Bank, which votes by virtue of the shares owned by the State, informed the Bank that it is proposing to the General Meeting, pursuant to the Bank Shares (Arrangement Shares) (Temporary Provision) Law, 1993, to elect five candidates to serve as Directors, as follows: Mr. David Brodet, Mr. Moshe Dovrat (serving Director who is retiring by rotation and presents himself for re-election), Mr. Yehuda Drori, Mr. Yoav Nardi and Dr. Ehud Shapira.

In addition, pursuant to Article 87 of the Bank's Articles of Association, the following retiring Directors are offering themselves for re-election at the General Meeting: Ms. Nurit Segal, Mr. Yaacov Goldman, C.P.A., and Mr. Moshe Vidman.

In addition, pursuant to Article 87 of the Bank's Articles of Association, applications were received from the shareholders of the Bank, as detailed below, to the effect that the said shareholders are offering themselves for election as Directors of the Bank at the General Meeting: Ms. Keren-Or On; Adv. Tova Kagan (Kariv); Adv. ETTY Esther Livni; Dr. Asher Halperin; Mr.



Avraham Rahamim Cohen; Mr. Ze'ev Levenberg; Mr. Natan Meir; Mr. Joseph Mozeson; Mr. Tamir Milikovski; Mr. Shmuel Messenberg; Adv. Yehoshua Ne'eman; Mr. Amiad Niv; Dr. Shlomo Ness; Mr. Amos Sapir; Mr. Robert Zentler; Mr. Eran Kimchi; Mr. Israel (Izzy) Tapuchi.

Mr. Eitan Raff, the Chairman of the Board of Directors, since 1995, announced that he does not intend to submit his candidacy for re-election at the General Meeting. Mr. Raff has contributed much to the advancement of the business of the Bank and its betterment.

The Board of Directors expressed its appreciation to Mr. Raff, and thanked him for his major contribution to the Bank.

The election of the Directors is contingent upon the consent of the Supervisor of Banks, pursuant to Section 11A of the Banking Ordinance, 1941.

A separate vote will be held in respect of the election of each Director proposed as detailed in item 3; voters may vote for each of the candidates, and their voting is not limited to five candidates. Of the number of candidates for election as a Director, only five will be elected, as detailed below.

The CVs of the candidates who have provided same may be examined at the Secretariat of the Bank, at the registered office of the Bank, Leumi House (11th floor), 34 Yehuda Halevi Street, Tel Aviv, Tel: 972-3-5149716 between 08:00 and 15:00.

**Voting Procedure:**

Regarding item 3, the following are details of the procedure for voting at the General Meeting:

11. The majority required to approve resolution no. 3 on the agenda, concerning the election of directors, is an “ordinary majority” of the total voting rights of the stockholders entitled to vote and who voted in person or by proxy (including by means of a voting paper) (the “**Voters**” or the “**Votes Cast by the Voters**,” as relevant).
12. For the purpose of determining whether or not an “ordinary majority” has been obtained, the Votes Cast by the Voters who voted “in favor” or “against” will be counted. “Abstain” votes that were cast among the Votes Cast by the Voters will not be counted.
13. A candidate who does not receive an “ordinary majority” as described above, out of the Votes Cast by the Voters, will not be elected or move on to Stage B (to the extent that a Stage B is held).
14. If there are more than five (5) candidates who receive an “ordinary majority” as described above, all of them will move on to Stage B. At this Stage B, the candidates who are elected, pursuant to the provisions of Article 85B of the Bank’s Articles of Association (see sub-section (d)

below), will be the five who receive the largest number of the Votes Cast by the Voters.

15. The count of the highest number of the Votes Cast by the Voters will include only the “in favor” votes. At this stage, the count will not include the “against” votes (i.e., there are no “offsets.”) The count will also not include the abstaining votes. In other words, the five candidates who received the highest number of “in favor” votes will be elected (the “Elected Candidates”). If a determination needs to be made between a number of candidates who received an identical number of “in favor” votes, the determination shall be made by lot.
16. The terms of office of the Elected Candidates are contingent upon the receipt of approval from the Supervisor of Banks.  
The Elected Candidates will begin to serve together simultaneously, immediately after receipt of the approval or non-objection of the Supervisor of Banks regarding the last of the candidates (the “All Inclusive Approval of the Supervisor”). Should the All Inclusive Approval of the Supervisor not be received by 1 August 2010, the terms of office of the Elected Candidates who have been approved by the Supervisor of Banks by that time will commence on 2 August 2010, and the terms of office the others shall commence at the time that the Supervisor of Banks’ approval is received.
17. If there are not five candidates who pass the first stage (receipt of an “ordinary majority,” as stated), a place on the Board of Directors will remain vacant, unless one of the Directors who is retiring by rotation agrees to continue to serve until the next Annual General Meeting for the election of Directors.  
If more than one of the retiring Directors agrees to continue to serve, the one with the least amount of seniority as a Director will remain, and if the amount of seniority is the same, they will agree amongst themselves as to who will remain or, alternatively, one will be chosen by lot (an “**Interim Arrangement.**”)
18. It is emphasized that if any of the Elected Candidates is disqualified by the Supervisor of Banks, the candidate receiving the largest number of votes cast after such disqualified candidate (the “next in line”) will not be considered to have been elected, and the position of the Elected Candidate will remain vacant until the next Annual General Meeting unless an Interim Arrangement is implemented.  
It is clarified that the retiring Director who continues to serve in accordance with an Interim Arrangement will serve until the next Annual General Meeting for the election of Directors.
19. Until the time that the Elected Candidates are approved by the Supervisor of Banks, a place on the Board of Directors will remain vacant, unless an Interim Arrangement is implemented for this interim period.
20. A separate vote will be held in respect of the election of each Director. Voters may vote for each of the candidates, and their voting is not limited to five candidates.

**Additional notes to item 3 on the agenda - Election of Directors:**

- b. **Attention is drawn to the provisions of Section 34 (A1) of the Banking (Licensing) Law, 1981: "No person may come to an agreement with another regarding their voting for the election of a director of a banking corporation or a bank holding corporation, except in accordance with a permit granted by the Governor [of the Bank of Israel], following consultation with the Licenses Committee; this provision will not apply to a holder of means of control\* who comes to an agreement with another, that the other shall vote in the name of and on behalf of the holder for such person as the holder of means of control directs him, provided that the other shall not vote in the name of and on behalf of more than one other holder."**

Therefore, as regards the election of the Directors, a proxy holder who is himself a stockholder of the Bank may vote in the name of and on behalf of one additional stockholder only. As regards the other matters on the agenda of the General Meeting, there is nothing to prevent such a proxy holder from representing more than one stockholder.

- b. **Pursuant to Article 82 of the Bank's Articles of Association, five Directors are retiring by rotation at the Bank's Annual General Meeting. In item 3 on the agenda, a number of candidates for election as a Director are being presented, of which only five will be elected.**

Mr. Eitan Raff, Chairman of the Board of Directors, has decided not to offer himself for re-election.

- c. Article 76 of the Bank's Articles of Association provides as follows: "Unless otherwise determined by the Company in General Meeting, the Directors shall not be less than seven nor more than fifteen in number." However, in accordance with the Proper Banking Management Directives of the Banking Supervision Department, the Board of Directors may not include more than fifteen Directors.
- d. Article 85B of the Bank's Articles of Association provides as follows: "Should the number of people being proposed for election as Directors at the General Meeting, and receiving an ordinary majority of the total voting rights of shareholders entitled to vote and who voted (by themselves, by their proxies or by voting papers) at a General Meeting, exceed the number of available positions for Directors due to be filled pursuant to the agenda of the General Meeting, the candidates receiving a higher number of votes at the General Meeting than the other candidates will be elected as Directors for the available positions. Should a determination need to be made between a number of candidates who received the same number of votes, the determination as to who shall be elected shall be made by lot."
- e. Article 86 of the Bank's Articles of Association provides as follows: "If at any General Meeting at which an election of Directors ought to take place the place of any Director retiring by rotation is not filled up he shall,

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\* i.e. any stockholder

if willing continue in office until the Ordinary Meeting in the next year and so on from year to year until his place is filled up unless it shall be determined at such meeting to reduce the number of Directors in office.”

Item 3 (a): Election of Mr. David Brodet as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: David Brodet (1A) Identity Number: 000088179
- (2) Date of Birth: 30 October 1944
- (3) Address for Service of Court Documents: 4 Michaelson Street Jerusalem 93707
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined
- (6) Is he an External Director as defined in the Companies Law possessing accounting and financial expertise or professional qualifications: No
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:
  - B.A. in Economics and Political Science, the Hebrew University of Jerusalem.
  - M.A. in Economics, the Hebrew University of Jerusalem.
  - Supplementary course in macro-economic policies – IMF (1979), Zaltzberg Seminar – supplementary course in exchange rates and currency.
  - Employment during the last five years:
    - Economic and management consultant – owner of a consulting company "David Brodet Ltd."
    - Chairman of the Administrative Board of Ben Gurion University.
    - Chairman of the Administrative Board of Keren Jerusalem.
    - Chairman of the Administrative Board of The Hadassah Academic College.
    - Chairman of the Board of Trustees of the Falk Institute for Economic Research.
    - Chairman of the Board of Trustees of the Protected Caring Fund.
    - Chairman of the Advisory Board for Dismissals and Mergers of the Anti-Trust Commissioner.
    - Chairman of the Public Statistics Council.
    - Member of the Board of Directors of the Israel Company.
    - Academic manager of the Caesarea (Convention) Forum.
    - Member of the Executive Board of the Camari Theater.

Member of the Executive of Miskanot Sha'ananim.

Member of the administrative board of the Jerusalem Institute for Israel Research.

Previously, Chairman of the Board of Directors of Hadassah (from 1999-2008).

Previously, Chairman of the Investment Committee of Makefet Pension Fund and Provident Fund (2003-2010)

Previously, Chairman of the Investments Committee of Ha'al Pension Fund (2008-2010).

Previously, Member of the Management Committee of the Blue Square Cooperative Society (2000-2009).

Previously, served as director in companies including (during the last five years): Direct Insurance (2001-2007), Aloni Hetz (2003-2010), Ikea (2000-2005), Global Medical Network (2004-2009),

Previously, served as chairman on many government committees, including, (during the last five years):

Defense Budget (2006-7), Status of National Insurance (2005).

Previously, member of the Committee for Security Perception (Meridor Committee) (2004-6), member of the Capital Market Committee (Ariav Committee) (2008)

Previously, editor of "Israel 2028 – Vision and Social Strategy in a Global World" (2008).

Previously, lecturer at institutions of higher education: Hebrew University of Jerusalem (School of Business Management, 1998-2007), Ben Gurion University (Public Policy 1998-2005), Midreshet Rupin (Economics 1972-2006), Herzlia Inter-Disciplinary Center (Business Management and Administration, 2006 - ), National Security College (Haifa University 2005 - ).

(10) Is he a family member of another interested party of the corporation: No

(11) Does he possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank.

**The declaration of Mr. David Brodet, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. David Brodet as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(b): Election of Mr. Moshe Dovrat as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Moshe Dovrat (1A) Identity Number: 007209646
- (2) Date of Birth: 11 January 1945
- (3) Address for Service of Court Documents: 32/5 Uri Zvi Greenberg Street, Tel Aviv 69379
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Credit Committee, Administration Committee, and the Prospectuses Committee.
- (6) Is he an External Director as defined in the Companies Law possessing accounting and financial expertise or professional qualifications: No
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No
- (8) Date of commencement of term as a director of the corporation: 20 May 2007
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
 Education: MBA and B.A. in Economics and Political Science – The Hebrew University of Jerusalem.  
 Employment during the last five years: Company Director. CEO, Director and Owner of Beit Meniv Funding Ltd. and Dovrat (M.H.) Investments and Business Initiatives, Ltd.  
 Director and shareholder in Tracoat Ltd.  
 Director and shareholder in Beit Meniv Israel Ltd.  
 Chairman of the Board of Directors of Kibbutz Kfar Blum Tourism.  
 Member of Management of Kfar Blum Holdings – Agricultural Cooperative Society Ltd.  
 Until May 2007, Director of Leumi Gemel Ltd. (now Leumi Capital Market Services Ltd.) and of Israel Discount Capital Markets and Investments Ltd.  
 Until October 2006, External Director of Ilex (Israel) Ltd.  
 Member of the Management Committee, Ra'anana Symphony Orchestra  
 Member of the Coordinating Management, the Arab-Jewish Center for Economic Development.  
 Member of the General Assembly and Member of the Founders of the Macroeconomic Political Center.  
 Member of the General Assembly and Member of the Founders of the Ecological Tourism Non-profit Organization.  
 Member of the Public Council of the Bat-Sheva Dance Company.  
 Member of the Public Council and Member of the Finance Committee of the Council for a Beautiful Israel.  
 Member of the General Assembly of the Ramat Gan College.
- (10) Is he a family member of another interested party of the corporation: No
- (11) Does he possess accounting or financial expertise: Yes

**The declaration of Mr. Moshe Dovrat, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Moshe Dovrat as a Director.

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(c): Election of Mr. Yehuda Drori as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Yehuda Drori (1A) Identity Number: 000333203
- (2) Date of Birth: 20 March 1942
- (3) Address for Service of Court Documents: 9 Y.L. Gordon Street, Tel Aviv 63458
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined.
- (6) Is he an External Director as defined in the Companies Law possessing accounting and financial expertise or professional qualifications: No.
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No.
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
Education: B.A. in Economics – The Hebrew University of Jerusalem.  
MBA (specializing in Finance) – The Hebrew University  
Employment during the last five years:  
Member and Chairman of investment committees. Director in public and private companies. Advisor on the subject of the capital market.  
Director of U Bank.  
Previously, Director in the following companies: Leumi Gemel and Dorad.
- (10) Is he a family member of another interested party of the corporation: No
- (11) Does he possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank.

**The declaration of Mr. Yehuda Drori, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Yehuda Drori as a Director.

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(d): Election of Mr. Yoav Nardi as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Yoav Nardi (1A) Identity Number: 634618
- (2) Date of Birth: 3 November 1944
- (3) Address for Service of Court Documents: 8 Malachi Street, Ramat Gan 52246
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined.
- (6) Is he an External Director as defined in the Companies Law possessing accounting and financial expertise or professional qualifications: No.
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No.
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
Education: B.A. in Economics – The Hebrew University of Jerusalem.  
MBA (Business and Finance) – The Hebrew University  
Employment during the last five years:  
From February 2010 – Advisor to the CEO of Bank of Jerusalem.  
From December 2008 to January 2010 – Head of the Risk Management and Nostro and Financial Risk Manager of Bank of Jerusalem.  
From 2000 to 2008 – Head of the Capital Market Division and Financial Risk Manager of Bank of Jerusalem.  
From May 2005 to February 2010 – Chairman of the Board of Directors of Jerusalem Finance and Offerings (2005) Ltd. and Jerusalem Financial Operation (2005) Ltd.  
From February 2006 to February 2010 – Director of Jerusalem Fund Management (1980) Ltd.  
From March 1996 to February 2010 – Ir Shalem Insurance Agency (1996) Ltd.  
From February 2004 to February 2010 – Bank of Jerusalem Trust Company Ltd.  
From February 1997 to December 2008, Director in Jerusalem Underwriting and Offerings Ltd.



- (10) Is he a family member of another interested party of the corporation: No
- (11) Does he possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank.

**The declaration of Mr. Yoav Nardi, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Yoav Nardi as a Director.

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(e): Election of Dr. Ehud Shapira as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Ehud Shapira\_(1A) Identity Number: 08370991
- (2) Date of Birth: 5 October 1944
- (3) Address for Service of Court Documents: 1 Belkind Street, Tel Aviv 62514
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined.
- (6) Is he an External Director as defined in the Companies Law possessing accounting and financial expertise or professional qualifications: No.
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No.
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:
  - PhD in Economics and Finance – New York University
  - M.A. in Economics and Finance – New York University
  - M.Sc. in Economics and Performance Research – The Technion
  - B.A. – Economics, Statistics – Tel Aviv UniversityEmployment during the last five years:
  - Previously, Senior Deputy CEO of Bank Leumi le-Israel B.M. and Acting CEO in her absence, Head of Corporate and International Banking and Manager of Credit Risks of the Leumi Group and in addition, held the following positions:

- Chairman of the Board of Directors in Leumi Leasing and Investments Ltd.
  - Chairman of the Board of Directors in Leumi & Co. Investment House Ltd.
  - Head of the Corporate Division of Leumi.
  - Chairman of the Board of Directors in Leumi Luxembourg S.A
  - Director of Leumi UK and in other companies in the Leumi Group.
  - Director of the Arrangement of the Execution of the Kibbutzim Agreement
  - Chairman of the Board of Directors of Apax-Leumi Partners Ltd.
- From October 2006 – Serving as Chairman of the Board of Directors of the Phoenix Holdings Ltd. and holds the following positions:
- The Phoenix Insurance Company – Chairman of the Board of Directors
  - The Phoenix Investments and Finances – Chairman of the Board of Directors
  - The Phoenix International Holdings Ltd. – Chairman of the Board of Directors
  - Excellence Investments Ltd – Director
  - Mehadrin Ltd. – Director
  - Gamma Clearing and Management Ltd. – Director
  - Ad 120 – Residential Centers for Senior Citizens Ltd. – Director
  - Atara Technology and Ventures Ltd. – Chairman of the Board of Directors

- (10) Is he a family member of another interested party of the corporation: No
- (11) Does he possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank

**The declaration of Dr. Ehud Shapira, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Ehud Shapira as a Director.

Required Majority:

See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(f): Election of Ms. Nurit Segal as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Nurit Segal (1A) Identity Number: 007134794
- (2) Date of Birth: 10 January 1943
- (3) Address for Service of Court Documents: 27 Mapu Street, Tel Aviv 63434

- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Member of the Credit Committee, Risk Management Committee, and Guidelines Committee.
- (6) Is she an External Director as defined in the Companies Law and possessing accounting and financial expertise or professional qualifications: No
- (7) Is she an employee of the corporation, its subsidiary or associated company, or of an interested party: No
- (8) Date of commencement of term as a director of the corporation: 24 July 2003
- (9) Education and employment during the last five years and details of the corporations where she serves as a director:  
 Education: M.Sc. in Operations Research, Case Western Reserve University, Cleveland, Ohio, USA; B.A. in Economics and Statistics, The Hebrew University of Jerusalem.  
 Employment during the last five years: Company Director.  
 External Director, King Ltd.  
 Director, Aspen Group Ltd.  
 Until May of 2009, Director, Aspen Real Estate Ltd.  
 Member of the Management and Chairman of the Finance Committee of the Helicon Society for the Advancement of the Poetry in Israel (Registered Non-Profit Association).
- (10) Is she a family member of another interested party of the corporation: No
- (11) Does she possess accounting or financial expertise: Yes

**The declaration of Ms. Nurit Segal, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Ms. Nurit Segal as a Director.

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(g): Election of Mr. Yaacov Goldman as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Yaacov Goldman (1A) Identity Number: 053515409
- (2) Date of Birth: 10 July 1955
- (3) Address for Service of Court Documents: 39 Nachlieli Street, Hod Hasharon 45355
- (4) Nationality: Israeli

- (5) Membership of Committees of the Board of Directors: Member of the Credit Committee, Financial Statements Review Committee, Prospectuses Committee and Guidelines Committee.
- (6) Is he an External Director as defined in the Companies Law and possessing accounting and financial expertise or professional qualifications: No
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No
- (8) Date of commencement of term as a director of the corporation: 24 July 2003
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
 Education: B.A. in Accounting and Economics – Tel Aviv University.  
 Employment during the last five years: C.P.A., business consultant and company director.  
 Director, CEO and Shareholder, Maanit-Goldman Management and Investments (2002) Ltd.  
 External Director, Elron Electronic Industries Ltd., Isrotel Ltd. and Negev Ceramics, Ltd.  
 Director, Mer Telemanagement Solutions Ltd., Golden House Ltd., Tagor Capital Ltd., Renewable Water Minerals Ltd. and Renewable Resources Ltd. and its affiliated companies: Renewable Resources Technologies (2008) Ltd. and Recursos – Renobables Hidricos S.L.  
 Until April 2009, Director and Shareholder, Sigma Capital Partners Company Ltd. (company in voluntary liquidation)  
 Until June 2009, Chairman of the Board of Directors at I.T.G.I. Medical Ltd., and its affiliated companies: I.T.G.I. Med (2008) Ltd. and Design & Performance (Cyprus) Ltd.  
 Until September 2008, Professional Secretary, the Peer Review Institute of the Israeli Institute of Certified Public Accountants.  
 Until May 2006, member of Special Committee for Control Matters, Premier Club Ltd.  
 Member of the Management and Honorary Treasurer, Israel Canada Chamber of Commerce.  
 Member and Audit Committee Member of the "Round-Up" (Registered Non-Profit Association).  
 Member of the Action Committee of the Shevach Mofet School in Tel Aviv and member of the Action Committee of the Bialik Rogozin School.  
 Member of the "Ofanim" society for the promotion of children and youth in Israel.
- (10) Is he a family member of another interested party of the corporation: No
- (11) Does he possess accounting or financial expertise: Yes

**The declaration of Mr. Yaacov Goldman, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Yaacov Goldman as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(h): Election of Mr. Moshe Vidman as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Moshe Vidman (1A) Identity Number: 00690875
- (2) Date of Birth: 19 December 1943
- (3) Address for Service of Court Documents: 14 Megadim Street, Jerusalem 96185
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Member of the Audit Committee, Risk Management Committee, Administration Committee and Prospectuses Committee.
- (6) Is he an External Director as defined in the Companies Law and possessing accounting and financial expertise or professional qualifications: No
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No
- (8) Date of commencement of term as a director of the corporation: 28 June 2004
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
Education: MBA, Specializing in Finance, and BA in Economics and Political Science – The Hebrew University of Jerusalem.  
Employment during the last five years: Company Manager, Representative of Revlon in Israel.  
Owner, Moshe Vidman Ltd. and Moshe Vidman Holdings (2004) Ltd.  
Member of the Management Committee of The Hebrew University of Jerusalem.  
Chairman of the Board of Directors, Hebrew University Assets Ltd.  
Director, The Israel Corporation Ltd. and subsidiaries: The Israel Corporation – Technologies (Istech) Ltd., Israel Chemicals Ltd., The Dead Sea Works Ltd. and Rotem Ampert Negev Ltd.  
Director, Ofer Bros. Properties (1957) Ltd., Jafora Ltd., Jafora-Tabori Ltd., Melisron Ltd. and Rosebud Real Estate Ltd. and Alrov Properties and Lodgings Ltd.  
Member of the Management Committee of Keren Jerusalem.  
Until October 2009, External Director, Partner Communications Ltd.

Until February 2009, Chairman of the Board of Directors, Gibor Sport Active Wear (G.S.A.W) Ltd.

Until October 2007, Director, Ex-Libris Ltd.

Until March 2006, Director, Rotem Industries Ltd.

Until November 2006, Permanent Consultant to Gibor Sport Alpha Socks Ltd. (currently Gibor Sport Active Wear (G.S.A.W) Ltd.).

(10) Is he a family member of another interested party of the corporation: No

(11) Does he possess accounting or financial expertise: Yes

**The declaration of Mr. Moshe Vidman, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Moshe Vidman as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(i): Election of Ms. Keren-Or On as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Keren-Or On (1A) Identity Number: 034287755
- (2) Date of Birth: 12 April 1978
- (3) Address for Service of Court Documents: 4 Pilon Street, Tel Aviv
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined
- (6) Is she an External Director as defined in the Companies Law and possessing accounting and financial expertise or professional qualifications: No
- (7) Is she an employee of the corporation, its subsidiary or associated company, or of an interested party: No
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where she serves as a director:  
M.B.A. (specializing in capital market financing and financial engineering) – The Hebrew University of Jerusalem; Graduate of the Programme for Directors and Senior Officers in Corporations in Lahav, Faculty of Management, Tel Aviv University/  
Employment during the last five years:

Senior advisor in Risk Management in the Banking Sector in Kessekman and Kesselman. As part of the duties, advises banks as to preparedness for Basel II.

Work with insurance companies and investment houses regarding corporate governance issues and adaptation of their work procedures to local and international regulations, and with the Finance Ministry in the regulatory field, development of products and their adaptation to the needs of the pension savings market.

Comptroller in high-tech company –Seinfed Ltd.

- (10) Is she a family member of another interested party of the corporation: No
- (11) Does she possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank.

**The declaration of Ms. Keren-Or On, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Ms. Keren-Or On as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(j): Election of Adv. Tova Kagan (Kariv) as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Tova Kagan (Kariv) (1A) Identity Number: 009982695
- (2) Date of Birth: 20 April 1937
- (3) Address for Service of Court Documents: 103, Ahad Ha'am Street, Tel Aviv 64253
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined.
- (6) Is she an External Director as defined in the Companies Law possessing accounting and financial expertise or professional qualifications: No
- (7) Is she an employee of the corporation, its subsidiary or associated company, or of an interested party: No.
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where she serves as a director:

B.A. in Law, the Tel Aviv Extension of the Hebrew University of Jerusalem.

Employment during the last five years:

Since January 1970, owner of independent law firm dealing with company, contract and civil matters

- (10) Is she a family member of another interested party of the corporation: No
- (11) Does she possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank.

**The declaration of Adv. Tova Kagan (Kariv), as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Adv. Tova Kagan (Kariv) as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(k): Election of Adv. Ety Esther Livni as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Ety Esther Livni (1A) Identity Number: 00378237-2
- (2) Date of Birth: 1 June, 1948
- (3) Address for Service of Court Documents: 122, Wingate Street, Herzlia
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined.
- (6) Is she an External Director as defined in the Companies Law possessing accounting and financial expertise or professional qualifications: No
- (7) Is she an employee of the corporation, its subsidiary or associated company, or of an interested party: No.
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where she serves as a director:  
B.A. in Law from the Hebrew University of Jerusalem. Advocate, Graduate of Directors' course – MI'L, Graduate of the Government Centre for Environmental Leadership, Conciliator, Graduate of courses of the Israeli Bar Association and Centre for Conciliation  
Employment during the last five years:



External Director of Ta'as, Cimatron Ltd. A.E.G. Ltd., Sony Electronics Ltd., Makefet Gemel, Migdal Gemel, Keren Yozma

- (10) Is she a family member of another interested party of the corporation: No  
(11) Does she possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank.

**The declaration of Adv. Ety Esther Livni, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Ms. Ety Esther Livni as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(1): Election of Dr. Asher Halperin as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Asher Halperin (1A) Identity Number: 2066330
- (2) Date of Birth: 29 July 1925
- (3) Address for Service of Court Documents: 6 Ori Street, Tel Aviv 64954
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined
- (6) Is he an External Director as defined in the Companies Law and possessing accounting and financial expertise or professional qualifications: No
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
B.A. – the Tel Aviv School for Law and Economics (currently Tel Aviv University); M.A. in Economics from the University of California (Berkeley), USA; Ph.D. in Economics in the Princeton University (New Jersey, U.S.A.)  
Employment during the last five years:  
Lecturer for the last 15 years at the Miclala Le'Minhal – Academic Stream
- (10) Is he a family member of another interested party of the corporation: No

(11) Does he possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank.

**The declaration of Dr. Asher Halperin, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Dr. Asher Halperin as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(m): Election of Mr. Avraham Rahamim Cohen as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Avraham Rahamim Cohen (1A) Identity Number: 513770750
- (2) Date of Birth: 15 January 1952
- (3) Address for Service of Court Documents: 13 Tarshish Street, Kedumim
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined.
- (6) Is he an External Director as defined in the Companies Law possessing accounting and financial expertise or professional qualifications: No
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
B.A. in Economics, Bar Ilan University.  
Employment during the last five years:  
Management of a private commercial company
- (10) Is he a family member of another interested party of the corporation: No
- (11) Does he possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank.

**The declaration of Mr. Avraham Rahamim Cohen, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Avraham Rahamim Cohen as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(n): Election of Mr. Ze'ev Levenberg as a Director

Details regarding the candidate, to the best of the knowledge of the Bank

- (1) Name: Mr. Ze'ev Levenberg (1A) Identity Number: 058644337
- (2) Date of Birth: 11 March 1964
- (3) Address for Service of Court Documents: 45 Azriel Street, Givat Shmuel 54104
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined
- (6) Is he an External Director as defined in the Companies Law and possessing accounting and financial expertise or professional qualifications: No
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
B.A. – Natural Sciences (Medical Sciences), the Hebrew University of Jerusalem; MBA (Finance), University of Bar Ilan; Course in Basic Management of the Bank (Authorized Signatories); Course in Software Engineering, Michlala Le'Minhal – MCP qualification of Microsoft.  
Education during the last five years:  
From 2009, Director in Intercolony Investments Ltd.  
From 2009, Director in Arazim Investments Ltd.  
From 2008, Director in Adler Investments Ltd.  
From 2002 to 2008, Director and Member of the Investments Committee in the Mutual Funds of Altsculer Shoham  
From 1995, Lecturer at Bar Ilan University and at the Academic Stream of the Michlala Le'Minhal in Economics and Finance  
From 2006 to 2008, responsible for the Strategic Projects Unit of the Discount Group
- (10) Is he a family member of another interested party of the corporation: No
- (11) Does he possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank

**The declaration of Mr. Ze'ev Levenberg, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Ze'ev Levenberg as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(o): Election of Mr. Natan Meir as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Natan Meir (1A) Identity Number: 492488
- (2) Date of Birth: 1 December 1943
- (3) Address for Service of Court Documents: 35 Yosef Hahami Street, Jerusalem, 96428
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined
- (6) Is he an External Director as defined in the Companies Law and possessing accounting and financial expertise or professional qualifications: No
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
B.A. in Economics and Political Science, the Hebrew University of Jerusalem, MBA, the Hebrew University of Jerusalem  
Long and short courses in administration, finance and NPA's policy and conciliation.  
Employment during the last five years:  
Director of the Government Publications Office (G Pubs O)  
Member of the Council of Shazar Center, Jabotinsky Council and SOS Council.
- (10) Is he a family member of another interested party of the corporation: No
- (11) Does he possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank

**The declaration of Mr. Natan Meir, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Natan Meir as a Director

Required majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(p): Election of Mr. Joseph Mozeson as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Joseph Mozeson (1A) Identity Number: 015967797
- (2) Date of Birth: 20 June 1983
- (3) Address for Service of Court Documents: 14 Pithiya Street, Bnei Brak 51311
- (4) Nationality: Israeli, American
- (5) Membership of Committees of the Board of Directors: Not yet determined
- (6) Is he an External Director as defined in the Companies Law and possessing accounting and financial expertise or professional qualifications: No
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
Education:  
Torah studies, specialization and expertise in Hebrew law  
Employment during the last five years:  
Internet business management and private communication. Trade in securities on the Tel Aviv Stock Exchange.
- (10) Is he a family member of another interested party of the corporation: No
- (11) Does he possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank

**The declaration of Mr. Joseph Mozeson, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Joseph Mozeson as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(q): Election of Mr. Tamir Milikovski as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Tamir Milikovski (1A) Identity Number: 057690794
- (2) Date of Birth: 15 May 1962
- (3) Address for Service of Court Documents: 32 Habarzel Street, Entrance B, Tel Aviv 69710
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined.
- (6) Is he an External Director as defined in the Companies Law possessing accounting and financial expertise or professional qualifications: No
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No.
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
Holder of CPA Licence from Auditors' Council; Member of the Institute of Certified Public Accountant in Israel; Graduate of directors' training course for corporations on behalf of the Institute of Certified Public Accountants and Tel Aviv University; Graduate of course in the National Insurance Law and Regulations - the Institute of Certified Public Accountants and Tel Aviv University; Graduate of course in individual Taxation of the Institute of Certified Public Accountants and Tel Aviv University  
Employment during the last five years:  
Owner and manager of accounting firm in Tel Aviv
- (10) Is he a family member of another interested party of the corporation: No
- (11) Does he possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank.

**The declaration of Mr. Tamir Milikovski, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Tamir Milikovski as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(r): Election of Mr. Shmuel Messenberg as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Shmuel Messenberg (1A) Identity Number: 30233654
- (2) Date of Birth: 31 August 1949
- (3) Address for Service of Court Documents: 15 Mordecai Street, Petach Tikva 49313
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined.
- (6) Is he an External Director as defined in the Companies Law possessing accounting and financial expertise or professional qualifications: No.
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No.
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
B.A. – Economics, Tel Aviv University  
M.B.A., Tel Aviv University  
Employment during the last five years:  
Vice-president, Member of Management and Head of the Corporate Division, and Responsible for Credit Risks - Bank Mizrahi-Tefahot (1993-2006)  
Director and Member of committees of the boards of the following corporations:  
Gazit Inc., Psagot Securities Ltd., Mercantile Discount Bank Ltd., Wili-Food Investments Ltd., Midas Fund Investments Ltd., Biri Brashi Earthworks Construction, Infrastructure and Roads Ltd., Direct Finance – of the Direct Insurance Ltd. Group, Arad Investments and Industry Development Ltd.  
Chairman of Non-traded Credit Committee - Menora Mivtahim Group (April 2008 – February 2009)  
Various advisory positions, including advisor to Planos Mezzanine Loans of the Viola (Dovrat) Group (August 2008 – October 2006)
- (10) Is he a family member of another interested party of the corporation: No
- (11) Does he possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank.

**The declaration of Mr. Shmuel Messenberg, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Shmuel Messenberg as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(s): Election of Adv. Yehoshua Ne'eman as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Mr. Yehoshua Ne'eman (1A) Identity Number: 004156865
- (2) Date of Birth: 6 April 1944
- (3) Address for Service of Court Documents: 1B Tar'Ad Street, Ramat Gan 52503
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined
- (6) Is he an External Director as defined in the Companies Law and possessing accounting and financial expertise or professional qualifications: No
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
Education: B.A. in Law, The Hebrew University of Jerusalem; Continuing studies of the graduate school of the Law Faculty of New York University and Bernard Baruch, New York  
Employment during the last five years:  
Active as an advocate and a Director in various companies, including: the First International Bank of Israel Ltd. (2003-2009), El Al Israel Airlines Ltd. (2003-2007), Kardan Israel Ltd. (2009-), Poalim Capital Markets Investment Bank Ltd. (2003-)  
Public activities: Wolf Foundation, Land of Israel Ltd. World ORT, Ort Braude College, Netanya ORT College and private corporations.
- (10) Is he a family member of another interested party of the corporation: No
- (11) Does he possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank



**The declaration of Adv. Yehoshua Ne’eman, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Adv. Yehoshua Ne’eman as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(t): Election of Mr. Amiad Niv as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Amiad Niv (1A) Identity Number: 008348435
- (2) Date of Birth: 23 June 1940
- (3) Address for Service of Court Documents: Almaliah Street, Cottage 25, Jerusalem 93343
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined.
- (6) Is he an External Director as defined in the Companies Law possessing accounting and financial expertise or professional qualifications: No.
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No.
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
BA – Economics and Statistics, Hebrew University of Jerusalem.  
Diploma in Business Administration, Hebrew University of Jerusalem.  
Graduate, High Advanced Course for Senior Business Management, Hebrew University of Jerusalem.  
Employment during the last five years:  
Chairman of the Israeli Institute for Land Policy Research and Land Use by the Jewish National Fund, and chairman of the Institute’s Supreme Academic Council.  
Chairman of the Israeli Forum for National Land Policy, and chairman of the annual national “Jerusalem Conference” on Land Policy”.  
Chairman of the Advisory Academic Committee of the Israeli Institute for Land Policy Research and Land Use.  
Researcher regarding topics in the development of the Jewish National Fund’s land policy.

Leader and founder, together with the Department of Geography and Human Environment at Tel Aviv University of a special course of studies in the fields of land policy and its development.

Through August 2006, member of the World Zionist Organization Executive, chairman of its Finance Committee and member of the World Zionist Organization's Re-budgeting Committee, a sub-committee of the Finance Committee, and a member of the Finance Committee of the Board of Trustees of the Jewish Agency.

(10) Is he a family member of another interested party of the corporation: No

(11) Does he possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank.

**The declaration of Mr. Amiad Niv, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Amiad Niv as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(u): Election of Dr. Shlomo Ness as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Shlomo Ness (1A) Identity Number: 011710738
- (2) Date of Birth: 8 June 1960
- (3) Address for Service of Court Documents: 11A, Rambam Street, Givat Shmuel
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined.
- (6) Is he an External Director as defined in the Companies Law possessing accounting and financial expertise or professional qualifications: No.
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No.
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
B.A. in Economics and Accounting, Bar-Ilan University  
LL.B. in Law, Bar-Ilan University  
CPA, Member of the Institute of Certified Public Accountants in Israel and Auditors' Council, Ministry of Justice

Advocate, Member of the Israeli Bar Association  
Ph.D. in Law, Bar-Ilan University  
Training course for conciliators, Ministry of Justice and Israeli Bar Association  
Qualified informations systems researcher C.I.S.A. – the International Association for Securing and Auditing Informations Systems – USA.  
Employment during the last five years:  
Advocate and CPA in private practice – founding partner – Dr. Shlomo Ness & Co.  
Lecturer in Company Law at the Interdisciplinary Centre, Herzlia, Tel Aviv University and Sha'arei Mishpat College  
Lecturer in courses for training directors in Lahav – Tel Aviv University, the Israeli Management Centre, etc.  
Chairman of the Public Council of the Israel Chamber of Information Systems Analysts  
Chairman of the Advisory Public Council for Trade Levies  
Member of Management of Israel Business Consultants Association  
Member of the Budgetary Control Authority of the Israel Basketball Association (to the present date)  
Chairman of Ayalon Insurance Company Ltd. and Ayalon Financial Solutions Ltd.  
Deputy Chairman, Adi Pension Fund Management Ltd. of the Harel Group  
Director, Mivne Ta'asiyah Ltd. and Chairman of the Balance Sheet Committee and Member of the Audit Committee  
Chairman of the Board of Directors Yuli Capital Markets  
Companies in which he serves as Director: Partner Communication Ltd. (Orange), Formula Systems 1985 Ltd., Aviv Arlon Ltd. (formerly Yuli Capital Markets Ltd.), Click Software Technologies Ltd, Tao Tesuot Ltd., Tao Tesuot Real Estate Ltd., Blue Shore Development Company Ltd., I.G.B. Israel Global Investments (1999) Ltd., IRS TKB International Consultants Ltd., Shlomo Ness & Co. Ltd., Shlomo Ness, Adv. Trust Company Ltd., Shir Lak Ltd., M.D.K. Touch Ltd., Haniman Enterprises Ltd.  
Trustee and Special Manager of Hayal Holdings Ltd., Feuchwanger Holdings 1999 Ltd., Iskal Group Holdings Ltd., Diyur Le'Oleh Ltd., Zika Electrodes and Zika Holdings Ltd., Arit & Afar Building and Investments (97) Ltd., Club Market Marketing Chains Ltd., Burger Ranch Centre (1983) Ltd.

(10) Is he a family member of another interested party of the corporation: No  
(11) Does he possess accounting or financial expertise: Subject to the approval of the Board of Directors of the Bank.

**The declaration of Dr. Shlomo Ness, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Dr. Shlomo Ness as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(v): Election of Mr. Amos Sapir as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Amos Sapir (1A) Identity Number: 003139300
- (2) Date of Birth: 4 July 1937
- (3) Address for Service of Court Documents: 22 Michael Ne'eman Street, Tel Aviv, 69581
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined
- (6) Is he an External Director as defined in the Companies Law and possessing accounting and financial expertise or professional qualifications: No
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
Education: B.A. in Social Sciences - Economics and International Relations, The Hebrew University of Jerusalem; MBA, Specializing in Finance, Columbia University, New York, USA; Doctoral studies – Specializing in Finance and Banking, Columbia University, New York, USA.  
Employment during the last five years:  
November 1999-January 2008 – Chairman of the Board of Directors, Maalot Israel Securities Rating Agency Ltd.  
January 2008 to October 2009 - Chairman of the Board of Directors, Standard and Poors - Maalot Ltd.  
Since January 2003 - Chairman of the Board of Directors, N. Felman & Son, Ltd.  
Since May 1997 – Director of the Jerusalem Capital Studios Group Ltd.  
Since December 2001 – Director of Isal Amlat Investments (1993) Ltd.  
Since June 2007 – External Director of HOT Communications Systems Ltd.  
Since November 2007 – Director of Log Plastic Products Ltd.  
Since November 2007 – Director of Sixace Holdings, Ltd. and Sixace Management (1997) Ltd. (private companies under his ownership)  
June 2004-July 2007 – Director of Tzelef Industries Ltd.  
January 2003-January 2008 - Director of Online Media Solutions Ltd.  
1996-January 2007 - Director of Barak ITC (1995) and since 2003, Chairman of the company's Board of Directors.  
June 2001-March 2006 - Director of Arel Communications and Software Ltd.  
May 2002-June 2008 – Director of Hamat Gader Ltd.

- May 2002-June 2008 – Director of Teva Spa Ltd.  
Member of the Management Council, Tel Aviv-Yaffo Academic College  
Member of the Board of Trustees, Tel Aviv University.  
Member of the Council of the Center for Educational Technology.  
Member of the Management Committee of *Olim BeYahad* – Leadership and Excellence in Employment for Ethiopian Immigrants with Academic Training.  
Member of the Public Council of *Midot* - Transparency and Ratings of Non-Profit Associations, Public Benefit Company.  
Member of the Board of Trustees - Bezalel Academy of Arts and Design  
Member of the management of various charitable non-profit societies and societies distributing scholarships and research awards.
- (10) Is he a family member of another interested party of the corporation: No  
(11) Does he possess accounting or financial expertise: Subject to the approval of the Bank's Board of Directors.

**The declaration of Mr. Amos Sapir, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Amos Sapir as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(w): Election of Mr. Robert Zentler as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Robert Zentler (1A) Identity Number: 043701291
- (2) Date of Birth: 24 February 1944
- (3) Address for Service of Court Documents: 68/9 Moshe Kol Street, Jerusalem 93715
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined
- (6) Is he an External Director as defined in the Companies Law possessing accounting and financial expertise or professional qualifications: No
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.

- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
 Education: B.A. in Economics and Political Science, The Hebrew University of Jerusalem.  
 Supplementary courses on economic policy issues under the auspices of the International Monetary Fund.  
 Employment during the last five years:  
 Member of the Standard Contracts Tribunal  
 Financial-strategic consultant to private individuals and firms regarding currency exposure and management of asset and financial obligations portfolios, in Israel and abroad.  
 Since 2000 –  
 Chairman of the Board of Directors of "Financial and Optimum Challenges", portfolio company.  
 Deputy Chairman of the Board of Directors of the Eurom Bank in Romania (until its purchase by Bank Leumi in 2006).  
 Director and Member of the Investment Committee of "Psagot" and "Tachlit" Portfolio Management Company of Discount Bank.  
 Director and Chairman of the Investment Committee and Member of the Audit Committee of the Provident Fund of the Employees of the Hebrew University.  
 Member of the Investment Committee of "Eliahu" Insurance Company  
 Advisor to the Bank of Israel regarding options, advisor to the First International Bank regarding risk management, advisor to hi-tech companies regarding international marketing, advisor to a financial institution regarding international operations.  
 Lecturer in banking at Hebrew University and Ben-Gurion University.
- (10) Is he a family member of another interested party of the corporation: No
- (11) Does he possess accounting or financial expertise: Subject to the approval of the Bank's Board of Directors.

**The declaration of Mr. Robert Zentler, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Robert Zentler as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(x): Election of Mr. Eran Kimchi as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Eran Kimchi (1A) Identity Number: 034302406
- (2) Date of Birth: 15 November 1977
- (3) Address for Service of Court Documents: 97/11 Rothschild Street, Tel Aviv, 65235
- (4) Nationality: Israeli
- (5) Membership of Committees of the Board of Directors: Not yet determined
- (6) Is he an External Director as defined in the Companies Law possessing accounting and financial expertise or professional qualifications: No
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: No
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
 B.A. in Economics, Tel Aviv University, MBA, Tel Aviv University.  
 Holds a portfolio managers' license from the Israel Securities Authority.  
 Employment during the last five years:  
 Joint CEO in Duchifat T.I. Ltd., an investment company specializing in equity investments in the secondary market in Israel and the United States  
 Previous position during the last five years: Investment Manager with Lavi & Lavi Investments Ltd.  
 Director and shareholder of Duchifat T.I. Ltd.
- (10) Is he a family member of another interested party of the corporation: No
- (11) Does he possess accounting or financial expertise: Subject to the approval of the Bank's Board of Directors

**The declaration of Mr. Eran Kimchi, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Eran Kimchi as a Director

Required Majority: See the voting procedure for Item 3 on the agenda, as stated above.

Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 3(y): Election of Mr. Israel (Izzy) Tapuchi as a Director

Details regarding the candidate, to the best of the knowledge of the Bank:

- (1) Name: Israel (Izzy) Tapuchi\_(1A) Identity Number: 000626010
- (2) Date of Birth: 2 March 1946

- (3) Address for Service of Court Documents: 13 Emek Refaim Street, Jerusalem, 93104
- (4) Nationality: Israeli, Australian
- (5) Membership of Committees of the Board of Directors: Not yet determined
- (6) Is he an External Director as defined in the Companies Law and possessing accounting and financial expertise or professional qualifications: No
- (7) Is he an employee of the corporation, its subsidiary or associated company, or of an interested party: Director of Paz Oil Company Ltd.
- (8) Date of commencement of term as a director of the corporation: Subject to the approval of the Annual General Meeting and subject to the approval of the Supervisor of Banks – in accordance with Section 6 of the voting procedure for Item 3 on the agenda, as stated above.
- (9) Education and employment during the last five years and details of the corporations where he serves as a director:  
 Education: B.Com., specializing in Economics, Business Administration and Accounting, University of Melbourne. Certificate studies at University of Melbourne in financial system computerization and tax and companies law.  
 CPA – Australia, 1974.  
 CPA – Israel, 1981.  
 Employment during the last five years:  
 Currently a director of the following companies: Paz Oil Company Ltd., Paz Ashdod Oil Refinery, Ltd., Housing and Construction - Holdings Ltd., Mor Group International Real Estate Ltd., Tapi Investment Ltd. and Labriz Holdings Ltd.  
 Member of the management of the British-Israel Chamber of Commerce, Member of the management, Israel-Britain Business Council, Member of the management of the Australia-Israel Chamber of Commerce, and Member of the management of the Switzerland-Israel Chamber of Commerce.  
 Active partner in the management company of Mor Group International Real Estate Ltd.  
 Previously, director of the following companies (among others): Harel Insurance Company until 2008, Vaica Medical Ltd. until 2008, Israel Electric Corp. until 2007, Tadiran Communications Ltd. until 2005, MDG Medical Inc. until 2006, Harel Insurance Investments and Financial Services Ltd. until 2008, Strauss Group Ltd until 2008 and Incusoft Ltd. until 2007.
- (10) Is he a family member of another interested party of the corporation: No
- (11) Does he possess accounting or financial expertise: Subject to the approval of the Bank's Board of Directors.

**The declaration of Mr. Israel (Izzy) Tapuchi, as required pursuant to section 224B of the Companies Law, 1999, is attached hereto.**

Text of the Resolution: To elect Mr. Israel (Izzy) Tapuchi as a Director

Required Majority:

See the voting procedure for Item 3 on the agenda, as stated above.



Attention is also drawn to the additional comments regarding Item 3 – Election of Directors, as described above.

Item 4: Approval of the Purchase of a New Directors' and other Officers' Liability Insurance Policy (D&O)

Description of Item: The General Meetings of the Bank have from time to time approved the renewal and purchase of insurance policies in respect of the liability of the Directors and other officers of the Bank and the Group. The Annual General Meeting of the Bank held on 5 June 2008 approved the purchase of an insurance policy in respect of the liability of the Directors and other officers of the Bank and the Group for a period of 18 months commencing 30 April 2008, which includes cover of up to \$260 million at a premium of no more than \$1.8 million.

The Audit Committee, and thereafter the Board of Directors of the Bank, approved the purchase of an insurance policy in respect of the liability of the Directors and other officers of the Bank and the Group, for a period of 12 months commencing 1 November 2009, which includes cover of up to \$260 million (with a right of reinstatement of \$250 million) at a premium not exceeding \$1.7 million.

Text of the Resolution: To approve the purchase of a new insurance policy in respect of the liability of the Directors and other officers of the Bank and the Group, for a period of 12 months commencing 1 November 2009, which includes cover of up to \$260 million, at a premium not exceeding \$1.7 million.

Required Majority: An ordinary majority of the total voting rights of the stockholders entitled to vote and who voted in person (including by means of a voting paper) or by proxy.

Item 5: Approval of the Terms of Retirement of the Chairman of the Board of Directors, Mr. Eitan Raff

Description of the Item: On 24 January, Mr. Eitan Raff, the Chairman of the Board of Directors announced to the Bank's Board of Directors that after a period of 15 years during which he served as Chairman of the Bank's Board of Directors, he does not intend to offer himself for re-election at the Bank's General Meeting.

On 31 January 2010, the Audit Committee, and thereafter the Board of Directors, approved the terms of retirement of the Chairman of the Board of Directors, subject to the approval of the General Meeting.

The terms for the retirement of the Chairman of the Board of Directors were discussed at a number of meetings of the Administration Committee of the

Board of Directors, and were thereafter discussed and approved by the Audit Committee of the Board of Directors and by the Board of Directors.

The terms of employment of the Chairman of the Board of Directors were presented to the said organs of the Bank. They were also presented with the terms of employment for the Bank's senior employees during recent years, and comparative data for similar corporations within the economy (salary and terms of employment and of retirement for chairmen of boards of directors, to the extent such were available and public).

After the Audit Committee and the Board of Directors had discussed the subject of the terms of retirement of the Chairman of the Board of Directors, taking into consideration, *inter alia*, the background material presented to them, and following examination of the recommendations of the Administration Committee of the Board of Directors, and the report regarding the standpoint of the Bank's Shares Committee regarding this issue, the Audit Committee, and following it the Board of Directors resolved to approve and recommend to the Bank's General Meeting to adopt the resolution the text of which is indicated below.

The justifications for the approval of the terms for the retirement of the Chairman of the Board of Directors:

The Chairman of the Board of Directors' contribution to the Bank's business and to its betterment, including his contribution to the Bank in the area of its non-banking investments and the activities of its subsidiaries in Israel and abroad.

The many years of service of the Chairman of the Board of Directors with the Bank's Board of Directors, and the terms of his employment (salary, grants and options), compared with the standard in the Israeli banking and financial system.

The standard at the Bank with respect to senior managers has been that, upon dismissal, managers have been entitled to compensation of 250% (in addition to the compensation fund) or to a pension from the Bank, commencing at retirement age. Managers with an especially high number of years of service with the Bank, or of an appropriate age, are entitled, at the time of dismissal to severance pay of 200% (in addition to the provident fund) or to an immediate pension from the Bank.

The amendment, over the years, of the Chairman of the Board of Directors' employment contract, such that the Chairman would be entitled to 100% of severance pay up to the date of the amendment (in addition to the provident fund), as described above.

The customary practice at the Bank regarding voluntary retirement programs for employees.

Text of the Resolution:

To approve the terms for the retirement of the Chairman of the Board of Directors, Mr. Eitan Raff, as described below:

5. The retirement compensation to which the Chairman of the Board of Directors will be entitled will be at the rate of 100% of the Chairman of the Board of Directors' last salary, for each year of service (the differentiation between dismissal and resignation was annulled) i.e., a salary in respect of each year of service. The amount of the retirement compensation constitutes a total of 15 salaries, corresponding to the number of years of employment of the Chairman of the Board of Directors with the Bank, instead of retirement compensation of 9 salaries, as laid down in the current employment contract, and which was determined after the Chairman of the Board of Directors had served for 9 years. The above-mentioned retirement compensation will be in addition to the Chairman of the Board of Directors' entitlement to monies from the provident and severance pay fund which is maintained in his name.
6. In light of the long period of service of the Chairman of the Board of Directors, and his substantial contribution to the Bank, its success and advancement, the Chairman of the Board of Directors' will also receive a special retirement grant in the amount of 7.5 salaries.
7. It is clarified that nothing in this resolution will affect the Chairman of the Board of Directors' right to receive an annual bonus for the period of his service as the Bank's Chairman of the Board of Directors, pursuant to the resolutions of the Audit Committee, the Board of Directors, and the Bank's General Meeting, to the extent such resolutions are approved.
8. To extend the Chairman of the Board of Directors' "cooling-off" period to 9 months (for which salary and accompanying payments will be made), instead of 6 months, and to expand the "cooling-off" undertaking such that the Chairman of the Board of Directors' may not be employed by and may not provide services to insurance companies.

Required Majority: An ordinary majority of the total voting rights of the stockholders entitled to vote and who voted in person (including by means of a voting paper) or by proxy.

Item 6:      Payment of a Bonus to the Chairman of the Board of Directors

Description of Item: The proposed bonus payment to the Chairman of the Board of Directors is a bonus in respect of 2009, in accordance with the long term bonus plan for senior managers at the Bank (the "Bonus Plan"). In this regard, see the Immediate Report of 10 March 2010.

The Audit Committee and thereafter Board of Directors (subject to the approval of the General Meeting) received and approved the amount of the bonus to the Chairman of the Board of Directors in respect of 2009.

Text of the Resolution: To approve the payment of a bonus to the Chairman of the Board of Directors, Mr. Eitan Raff, in respect of the financial results for 2009, in the amount of NIS 3,592,931.

Required Majority: An ordinary majority of the total voting rights of the stockholders entitled to vote and who voted in person (including by means of a voting paper) or by proxy.

Item 7:      Resolutions concerning Approval of Holding Positions and Disclosure by Officers

Description of Item: The General Meeting is requested to approve resolutions regarding the approval of holding positions and disclosure by the Bank's officers. Similar resolutions were approved by the Annual General Meeting held on 16 July 2009.

The Companies Law imposes on the officers of the Bank a duty to refrain from any act that may constitute a conflict of interests between holding their positions in the Bank and holding another position, including a position with companies in the Leumi Group, or their personal interests. However, the Bank may approve the existence of such a conflict of interests; that is to say, the Bank may agree that its officer hold a position in addition to his positions in the Bank, after the officer has disclosed to the Bank the positions he holds outside the Bank.

It is clarified that the approval set out in the proposed resolutions does not constitute approval of a specific act or transaction in which an officer of the Bank is involved through his position outside the Bank, if such specific act or transaction requires approval under the Companies Law.

In addition, the Companies Law imposes on officers the obligation to disclose existing or proposed transactions of the Bank in which the officer has a personal interest. Where such personal interest also includes a personal interest of a corporation in which the officer or his relative has an interest (such as acting as a director of such corporation) such a duty of disclosure is imposed on the officer, whether or not the transaction is in the ordinary course of business. The Companies Law also sets out the manner of approval of such transactions of the Bank and provides that the Bank may approve transactions in the ordinary course of business in the manner provided in its Articles of Association.

It is therefore proposed that these resolutions be approved, following their approval by the Audit Committee and subsequently by the Board of Directors, as required by the Companies Law.

Text of the Resolution: To approve the resolutions concerning approval of holding positions and disclosure by officers, pursuant to the text presented to the Meeting.

Required Majority: An ordinary majority of the total voting rights of the stockholders entitled to vote and who voted in person (including by means of a voting paper) or by proxy.

4. Place and Time at which the Full Text of the Proposed Resolutions may be Examined:  
The full text of the framework resolutions and the details of the insurance policy the approval of which is on the agenda of the General Meeting in Items 4 and 7 may be examined at the Secretariat of the Bank, at the registered office of the Bank, Leumi House (11<sup>th</sup> floor), 34 Yehuda Halevi Street, Tel Aviv, between the hours of 8:00 and 15:00.

The full text of the proposed resolutions may be examined at distribution website of the Israel Securities Authority and the website of the Tel Aviv Stock Exchange Ltd., or at the Secretariat of the Bank at the Bank's registered office, Leumi House, 34 Yehuda Halevi Street (11<sup>th</sup> floor), Tel Aviv, tel. 972-3-5149716, between the hours of 8:00 and 15:00.

In addition, the CVs of the candidates who have provided same may be examined at the Secretariat of the Bank, during the working hours and at the address detailed above.

5. The voting paper will only be valid if an unregistered shareholder's certificate of ownership is attached thereto (that is, a person in whose name ordinary stock of the Bank is registered with a Stock Exchange Member, and such stock is included in the stock registered in the Register of Shareholders in the name of the nominee company (Hevra Le-Rishumim). In the case of holders of shares (stock) registered in the Register of Shareholders of the Bank, the voting paper will only be valid if a copy of an identity document, passport or certificate of incorporation is attached thereto. This voting paper, together with the previously mentioned attachments, must reach the Bank at the address specified in section 6 below at least 72 hours before the time of the vote (by 30 May 2010 at 10:30 am).
6. Address of the Bank for the Delivery of Voting Papers and Position Papers: The Bank's registered office, Leumi House, 34 Yehuda Halevi Street, Tel Aviv 65546, for the attention of the Secretariat of the Bank (11<sup>th</sup> floor).
7. Final Date for the delivery of Voting Papers to the Bank: 30 May 2010 at 10:30 am
8. Final Date for the delivery of Position Papers to the Bank: 10 days following the record date i.e. by 14 May 2010.
9. Final Date for the delivery of the Response of the Board of Directors to the Position Papers: 12 days prior to the date of the General Meeting i.e. 21 May 2010.
10. Address of the distribution website of the Israel Securities Authority and of the website of the Tel Aviv Stock Exchange Ltd. (the "Stock Exchange"), at which voting papers and position papers are made available:
- Distribution website of the Israel Securities Authority: <http://www.magna.isa.gov.il/>
  - Website of the Stock Exchange: <http://maya.tase.co.il/>

11. A stockholder is entitled to receive the certificate of ownership at a branch of a Stock Exchange member or via mail, if so requested. Such a request is to be made in advance in respect of a particular securities account.
12. An unregistered stockholder is entitled to receive, via electronic mail and free of charge, the link to the voting paper and position papers on the distribution website of the Securities Authority from the Stock Exchange member through which he holds his stock, unless he notifies the Stock Exchange member that he does not wish to receive the said link or that he wishes to receive voting papers via mail for payment; notice with regard to voting papers also applies to the receipt of position papers.

One or more stockholders who, on the record date (4 May 2010), hold an amount constituting five percent or more of the total voting rights in the Bank, and the holder of said amount out of the total voting rights that are not held by the controlling shareholder of the Bank (as defined in Section 268 of the Companies Law (the "Controlling Shareholder")), is entitled to examine the voting papers as detailed in Regulation 10 of the Regulations, following the holding of the General Meeting, either personally or through a representative, at the registered office of the Bank during normal business hours.

The amount of stock constituting 5% of the total voting rights of the Bank is NIS 73,677,561\* par value ordinary stock of the Bank.

The amount of stock constituting 5% of the total voting rights of the Bank that are not held by the Controlling Shareholder is NIS 63,218,001\* par value ordinary stock of the Bank.

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\* As of 25 April 2010.

## **Voting Paper – Second Part**

Companies (Written Voting and Position Papers) Regulations, 2005 (the "Regulations")

Name of Company: Bank Leumi le-Israel B.M.

Address of the Company (for delivery and sending of voting papers): Leumi House, 34 Yehuda Halevi Street, Tel Aviv 65546 (11<sup>th</sup> floor), for the attention of the Secretariat of the Bank

Company No.: 52-001807-8

Date of Meeting: 2 June 2010, at 10:30 am

Type of Meeting: Annual

Record Date: 4 May 2010.

(Until here, to be completed by the Company)

### **Details of Shareholder**

Name of Shareholder (Ordinary Stock): \_\_\_\_\_

Identity No.: \_\_\_\_\_

If the shareholder is not a holder of an Israeli Identity Document –

Passport No.: \_\_\_\_\_

Country of Issue: \_\_\_\_\_

Expiry Date: \_\_\_\_\_

If the shareholder is a corporation –

Registered No.: \_\_\_\_\_

Country of Registration: \_\_\_\_\_

## Manner of Voting

Item Number on the Agenda	Manner of Voting <sup>1</sup>			With regard to the approval of a transaction pursuant to section 255 of the Companies Law – Do you have a personal interest in the Resolution (Item 7) <sup>2</sup>	
	In Favor	Against	Abstain	Yes*	No
3(a)					
3(b)					
3(c)					
3(d)					
3(e)					
3(f)					
3(g)					
3(h)					
3(i)					
3(j)					
3(k)					
3(l)					
3(m)					
3(n)					
3(o)					
3(p)					
3(q)					
3(r)					
3(s)					
3(t)					
3(u)					
3(v)					
3(w)					
3(x)					
3(y)					
4					
5					
6					
7					

\_\_\_\_\_

Date

\_\_\_\_\_

Signature

**Stockholders who hold stock through a Stock Exchange member (pursuant to Section 177(1) of the Companies Law) – the voting paper is only valid together with a certificate of ownership.**

**Stockholders registered in the Register of Shareholders of the Bank – the voting paper is only valid together with a copy of an identity document/passport/certificate of incorporation.**

<sup>1</sup> Failure to complete will be considered abstention from voting with regard to the relevant Item

<sup>2</sup> A stockholder who does not complete this column or who marks Yes without providing details will not be counted within the quorum.

\* Provide details.