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Public

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

22 September 2011

2011-01-282498

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

Immediate Report on Convening of General Meeting

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

1. On 22 September 2011, it was resolved to call a Special 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 Sunday, 30 October 2011 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 28 September 2011.
3. Items on the agenda:

Items on the agenda include:

Approval of actions or transactions which require authorization according to sections 255, 262 or 268-275 of the Companies Law, 1999 (the "Companies Law").

Additional items on the agenda: See "Details regarding the items on the agenda of the General Meeting" 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: 6 November 2011 at 10:30 am at Lyn House, 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 (11th floor), the Secretariat of the Bank, 34 Yehuda Halevi Street, Tel Aviv, Sunday to Thursday between the hours of 8:00 am and 3:00 pm. Notwithstanding the above, the offices of the Bank shall be closed on the eves of festivals and festivals, and including the intermediate days of Sukkot, between 12 October 2011 (inclusive) until 20 October 2011 (inclusive).

Name of Electronic Reporter: Yael Rudnicki, Position: Group Secretary
POB 2 Tel Aviv 61000, Phone: + 972 3 5149419, Facsimile: + 972 3 5149732,
Electronic Mail: Yaelru@bll.co.il

***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

Details Regarding Items on the Agenda of the General Meeting

Item 1: To amend Article 143 of the Bank's Articles of Association regarding insurance, indemnification and release

Description of item: The Audit Committee of the Board of Directors on 6 September 2011 and thereafter the Bank's Board of Directors on 13 September 2011 decided to recommend to the Bank's General Meeting to amend the Bank's Articles of Association according to the amended Hebrew text attached to the Hebrew Immediate Report, with the object of enabling the Bank to indemnify and/or insure the Bank's Senior Officers with respect to expenses and/or with respect to payment to an injured party, pursuant to the provisions of the Increased Efficiency of the Israel Securities Authority Enforcement Procedures (Legislative Amendments) Law, 2011 (the "Increased Efficiency of Enforcement Procedures Law").

Draft resolution: To amend Article 143 of the Bank's Articles of Association regarding insurance, indemnification and release with the object of enabling the Bank to indemnify and/or insure the Bank's Senior Officers pursuant to the Increased Efficiency of Enforcement Procedures Law, pursuant to the amended Hebrew text attached to the Hebrew Immediate Report, and below (the below English text is a translation for convenience purposes only) (the proposed amendments to the text of the Article are underlined):

Insurance, Indemnification and Release

143.

- a. The Company may release its officer in advance of all or any of his liability for damage due to a breach of the duty of care to it. Despite the above, the Company may not release its Director in advance of his liability to it due to a breach of the duty of care in the case of a "distribution" (as defined in the Companies Law, 1999).
- b. The Company may indemnify its officer in respect of a liability or expense, as set out below in this Article, that is imposed upon him or incurred by him due to an act committed by him in his capacity as its officer:
 - (1) a pecuniary liability imposed upon him in favour of another person pursuant to a judgement, including a judgement awarded on a compromise or an arbitrator's award that has been confirmed by court;

- (2) reasonable litigation expenses, including lawyers' professional fees, incurred by the officer due to an investigation or proceeding carried out against him by an authority authorised to carry out investigations or proceedings, and which was concluded without the filing of a criminal indictment against him and without the imposition of a monetary obligation as an alternative to criminal proceedings, or which was concluded without the filing of a criminal indictment against him, but with the imposition of a monetary obligation as an alternative to criminal proceedings in an offence that does not necessitate the proof of *mens rea*, or with regard to a financial sanction.

"conclusion of proceedings without the filing of a criminal indictment in a matter in which a criminal investigation was opened" – shall have the meaning of closing of the file in accordance with Section 62 to the Criminal Procedure Law [Consolidated Version], 1982 (for the purposes of this subparagraph – the Criminal Procedure Law), or a stay in proceedings by the Attorney General, in accordance with Section 231 of the Criminal Procedure Law.

"monetary obligation as an alternative to criminal proceedings" – monetary obligation imposed by law as an alternative to criminal proceedings, including an administrative fine in accordance with the Administrative Offences Law, 1985, a fine in respect of an offence determined to be a finable offence in accordance with the provisions of the Criminal Procedure Law, a financial sanction or composition.

- (3) reasonable litigation expenses, including lawyers' professional fees, incurred by the officer or for which he is made liable by the court, in proceedings brought against him by or on behalf of the Company or by another person or on a criminal indictment of which he is acquitted, or on a criminal indictment under which he is convicted of an offence that does not necessitate the proof of *mens rea*.

- (4) expenses, including reasonable litigation expenses, and including lawyers' professional fees, incurred in relation to a proceeding pursuant to one or more of the following:

- (a) Chapter H3, Chapter H4 and/or Chapter I1 of the Securities Law, 1968;
(b) Chapter G1, Chapter G2 and/or Chapter H1 of the Regulation of Investment Advice, Investment Marketing and Investment Portfolio Management Law, 1995;

(c) Chapter J, Chapter J1 and/or Chapter K of the Joint Investment Trust Law, 1994.

(5) Payment to an injured party as detailed in section 52BBB(a)(1)(a) of the Securities Law, 1968, with regard to a proceeding as defined in clause (4) above;

c. The Company may give an undertaking in advance to indemnify its officer, in each of the following (for the purposes of this paragraph – the "Undertaking to Indemnify"):

(1) as detailed in paragraph b(1) above, but only provided that the Undertaking to Indemnify shall be limited to events that, in the opinion of the Board of Directors, are foreseeable at the time of giving the Undertaking to Indemnify in light of the actual activities of the Company and to such amount or criterion that the Board of Directors has determined as reasonable under the circumstances, and provided that the events that, in the opinion of the Board of Directors, are foreseeable at the time of giving the Undertaking to Indemnify in light of the actual activities of the Company and such amount or criterion that the Board of Directors has determined as reasonable under the circumstances are indicated in the Undertaking to Indemnify.

~~(2) — As detailed in paragraph b(2) or b(3) above.~~

(2) As detailed in paragraph b(2) to b(5) above.

d. The Company may indemnify its officer *ex post facto*.

e. The Company may enter into a contract to insure the liability of its officer in respect of liability that is imposed upon him due to an act committed by him in his capacity as its officer by reason of any of the following:

a breach of the duty of care to the Company or to another person; a breach of fiduciary duty to the Company, provided that the officer acted in good faith and had reasonable grounds to believe that the act would not harm the Company's interests; a pecuniary liability that is imposed upon him in favour of another person; expenses as described in article 143(b)(4) above;
a payment to an injured party as defined in article 143(b)(5) above.

f. Notwithstanding as provided in clauses a to e above, the Company shall not enter into a contract to insure the liability of its officer, indemnify its officer or release its officer of his liability to the Company in respect of any of the following:

(1) a breach of fiduciary duty, other than for the purposes of indemnity and insurance in respect of a breach of fiduciary duty to the

Company when the officer acted in good faith and had reasonable grounds to believe that the act would not harm the Company's interests;

- (2) a breach of the duty of care committed with intent or recklessly, other than if such is committed negligently only;
- (3) an act with intent to produce an unlawful personal gain;
- (4) a fine, civil fine, financial sanction or composition imposed upon him.

The majority required: An ordinary majority of the total voting rights of the stockholders entitled to vote and who voted in person or by proxy.

Item 2: Approval of amendment to the letter of indemnification granted by the Bank to the Directors under the Increased Efficiency of Enforcement Procedures Law

Description of item:

The Audit Committee of the Board of Directors on 6 September 2011, and thereafter the Bank's Board of Directors on 13 September 2011, decided to recommend to the Bank's General Meeting, to amend the letter of indemnification given to the Directors in the text of the amended letter of indemnification attached to the Immediate Report, so that an advance indemnification undertaking will also be given with respect to expenses and/or with respect to payment to an injured party under and subject to the provisions of the Increased Efficiency of Enforcement Procedures Law, subject to approval by the General Meeting of the Bank to the amendment to the Articles of Association as set forth in clause 1 on the agenda.

In this context, it is noted that in all matters relating to the exercise of indemnifications to be granted under the advance indemnification undertaking to the Senior Officers, the Bank is limited by the resolutions of the Bank whereby the actual exercise of the indemnifications is contingent on the fulfillment of two cumulative conditions: (1) the maximum amount with respect to the exercise of the indemnifications shall not exceed 10% of the equity capital of the Bank, and (2) the maximum amount with respect to exercise of the indemnifications shall not detrimentally affect the minimum capital ratio required under the Directives of the Supervisor of Banks.

Text of the Resolution: Subject to the resolution of the General Meeting as set forth in section 1 of the agenda, to approve the amendment to the text of the letter of indemnification granted by the Bank to the Directors in the amended text of the letter of indemnification attached, whereby an advance indemnification undertaking shall also be with respect to expenses and/or with

respect to payment to an injured party under and subject to the provisions in the Increased Efficiency of Enforcement Procedures Law.

The majority required: 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: Approval of additional updates and amendments to the letter of indemnification granted by the Bank to the Directors

Description of item:

In addition to the amendment to the letter of indemnification to the Directors as stated in item 2 on the agenda, the Bank's Audit Committee and the Board of Directors decided to recommend to the Bank's General Meeting to update the text of the letter of indemnification to the Directors, including according to Amendment no. 14 of the Companies Law, 1999, and including an update to the appendix regarding the events which in the opinion of the Audit Committee and the Board of Directors are foreseeable, in light of the Bank's actual activities with attention to changes and developments in the nature and scope of the legal risks applying to the Bank and the Group, all as set forth in the text of the amended deed of indemnification attached to the Immediate Report.

In this context, it is noted that in all matters relating to the exercise of indemnifications to be granted under the advance indemnification undertaking to the Senior Officers, the Bank is limited by the resolutions of the Bank whereby the actual exercise of the indemnifications is contingent on the fulfillment of two cumulative conditions: (1) the maximum amount with respect to the exercise of the indemnifications shall not exceed 10% of the equity capital of the Bank, and (2) the maximum amount with respect to exercise of the indemnifications shall not detrimentally affect the minimum capital ratio required under the Directives of the Supervisor of Banks.

Text of the Resolution: To approve additional updates and amendments to the text of the letter of indemnification granted by the Bank to the Directors, including under Amendment no. 14 of the Companies Law, 1999, and including an update to the appendix on the events which in the opinion of the Audit Committee and the Board of Directors are foreseeable in light of the Bank's actual activities, with attention to the changes and developments in the nature and scope of the legal risks applying to the Bank and the Group, all as set forth in the text of the amended letter of indemnification attached.

The majority required: 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.

Bank Leumi le-Israel B.M. (the "Bank")

**Resolution of the Audit Committee / Board of Directors on the Grant
of Indemnification to Directors of the Bank**

1. For the purpose of this Resolution:

The "Bank" – Bank Leumi le-Israel B.M.

The "Events" – as set forth in Appendix A of this Resolution.

"Director" – any director of the Bank.

"Equity Capital" – the capital of the Bank, as defined in Section 3 of Regulation no. 313 of the Proper Conduct of Banking Business Regulations.

2. Subject to the provisions of any law and the provisions of this Resolution on indemnification, the Bank hereby grants individually to each of the Directors of the Bank, an undertaking to indemnify:

- 2.1 Respecting a monetary liability to be incurred by any of the aforesaid, as stated in Section 3.1.1 below, in connection with the Events, provided however that in each case:

- 2.1.1 the maximum amount of indemnification given and to be given to all Senior Corporate Officers of the Bank and the Senior Corporate Officers of the subsidiaries shall not exceed, in aggregate, 10% (ten percent) of the Equity Capital of the Bank as reflected in its latest financial statements published immediately prior to the actual date of indemnification (hereinafter, the "**Indemnification Ceiling**").

and

- 2.1.2 exercising the indemnification shall not prejudice the minimum capital ratio required under Regulation no. 311 of the Proper Conduct of Banking Business Regulations (hereinafter, the "**Minimum Capital Ratio**").

In the event that the total of all amounts which the Directors and other Senior Corporate Officers are charged exceeds the Indemnification Ceiling or in the event that the indemnification respecting these amounts prejudices the Minimum Capital Ratio, the total indemnification amount or its balance, as the case may be, shall be calculated between the relevant Directors and Senior Corporate Officers according to the ratio between the amount which each Director and each Senior Corporate Officer was charged and the total

of all amounts which all the Directors and Senior Corporate Officers were charged with respect to such matter.

- 2.2 Respecting reasonable litigation costs incurred by the Director or is charged by a court as stated in Sections 3.1.2, ~~and~~ 3.1.3 and 3.1.4. below.

The aforesaid indemnification undertaking shall inure to the benefit of any heir, estate or other substitutes of a Director under the provisions of any law.

3. The indemnification is also contingent on the fulfillment of all the following conditions, as the case may be:

3.1

3.1.1 The indemnification shall be given for a monetary liability imposed on a Director for the benefit of any other person under any judgment, including a judgment handed down in a settlement or an arbitral award confirmed by a court, for an act performed by the Director or respecting any omission on the part of a Director in performance of such function at the Bank in connection with the Events.

3.1.2 The indemnification shall also be granted for reasonable litigation costs, including attorneys' fees, incurred by the Director or charged to such Director by a court in a proceeding initiated against such Director by or on behalf of the Bank or by any other person, or for a criminal charge from which such Director was acquitted or for a criminal charge in which such Director was found guilty of an offense not requiring proof of criminal intent, all for any act performed or omission made by virtue of such person being a Director of the Bank.

3.1.3 The indemnification shall also be granted for reasonable litigation costs, including attorneys' fees, incurred by the Director in consequence of any investigation or proceeding conducted against such Director by a competent authority ~~competent to conduct such investigation or proceeding, and which in Israel or overseas as a result of an action or omission in his role in the bank, and which~~ was concluded without the filing of an indictment against the Director and without a monetary liability being imposed on the Director in lieu of a criminal proceeding or which ended without the filing of an indictment against such Director, but with the imposition of a monetary liability in lieu of a criminal proceeding for an offense not requiring proof of criminal intent or in connection with a monetary sanction.

For this purpose – "**concluding a proceeding without the filing of an indictment in a matter on which a criminal investigation was commenced**" means closing a case under Section 62 of the Criminal Procedure Law [Consolidated Version], 5742-1982 (hereinafter, the "**Criminal Procedure Law**") or a stay of proceedings by the Attorney General under Section 231 of the Criminal Procedure Law, or a case closure, settlement or stay of proceeding abroad in accordance with the relevant foreign law.

"**Monetary liability in lieu of a legal proceeding**" means a monetary liability imposed under law in lieu of a legal proceeding, including an administrative fine under the Administrative Offenses Law, 5746-1985, a fine for an offense determined as a finable offense under the provisions of the Criminal Procedure Law, a monetary sanction or forfeit.

3.1.4 Indemnification shall also be granted for costs incurred by a Director in connection with an administrative proceeding conducted in his regarding due to an action or omission arising from his position with the Bank, including reasonable litigation costs, inclusive of attorneys' fees; and also for a monetary liability imposed on a Director for payment to an injured party within the meaning in Section 52BBB(a)(1)(a) of the Securities Law, 1968 in connection with an administrative proceeding conducted in his regard.

For this purpose, "**administrative proceeding**" means each of the following:

3.1.4.1 A proceeding under Chapter H3 ("Imposition of Monetary Sanction by an Authority"), Chapter H4 ("Imposition of Administrative Means of Enforcement by the Administrative Enforcement Committee") and/or Chapter I1 ("Arrangement for Refraining from Imposition of Proceedings or Cessation of Proceedings Subject to Conditions") of the Securities Law, 1968.

3.1.4.2 A proceeding under Chapter G1 ("Imposition of Monetary Sanction by an Authority"), Chapter G2 ("Imposition of Administrative Means of Enforcement by the Administrative Enforcement Committee") and/or Chapter H1 ("Arrangement for Refraining from Imposition of Proceedings or Cessation of Proceedings Subject to Conditions") of the Regulation of Investment Advice, Investment Marketing and Investment Portfolio Management Law, 1995.

3.1.4.3 A proceeding under Chapter J ("Imposition of Monetary Sanction by an Authority"), Chapter J1 ("Imposition of Administrative Means of Enforcement by the Administrative Enforcement Committee") and/or Chapter K1 ("Arrangement for Refraining from Imposition of Proceedings or Cessation of Proceedings Subject to Conditions") of the Joint Investment Trust Law, 1994.

3.2 Notwithstanding the above, an undertaking to indemnify shall not apply for a monetary liability imposed on a Director for one of the following:

3.2.1 Breach of a fiduciary duty to the Bank, except for a breach of a fiduciary duty if the Director acted in good faith and had reasonable cause to presume that the act would not prejudice the Bank.

3.2.2 Breach of the duty of care committed intentionally or recklessly, unless committed negligently only.

3.2.3 An activity with the intent to secure an unlawful personal gain.

3.2.4 A fine, civil penalty, monetary sanction or forfeit imposed on the Director for an offense.

3.3 The indemnification under this Resolution shall ~~only not~~ be granted if the monetary liability and/or costs were ~~not~~ actually fully covered, ~~in whole or in part~~, in any manner whatsoever, including by an insurance policy or by any other indemnification granted to any of the Directors from any third party whatsoever. In case only part of such an aforementioned monetary liability and/or cost is covered, the indemnification will be granted, in ~~an the~~ amount which is beyond the amount ~~paid, if any, covered~~ under the insurance policy and/or other such indemnification. However, if the monetary liability and/or costs shall not actually be covered on time by the third party, the Bank shall indemnify the Director pursuant to this Resolution and subject to fulfillment of its terms, provided however that the Director assigns the right *vis-à-vis* such third party to the Bank, and it shall act in his place for all intents and purposes *vis-à-vis* the third party.

4. The Bank shall not be obligated to indemnify the Director for any amount paid by it under the terms of a settlement arrangement reached in a claim, demand or other proceeding, if the Bank's prior written consent was not given for the settlement arrangement.

5.

- 5.1 Notwithstanding the provisions of this Resolution, the Bank shall provide the Director with all the amounts set forth in Section 3.1 above on the date on which the obligation to pay them falls due, and as part of this the Bank shall provide the Director with the attorneys' fees as set forth in ~~the concluding part~~ of Section 3.1, on performance of payment upon the attorney's demand.
- 5.2 Each Director undertakes to repay the amounts paid by the Bank as stated in Section 5.1 above, such amounts being linked to the consumer price index (including fruit and vegetables), immediately upon it becoming apparent that the Director was not entitled to indemnification under this Resolution. The Bank may set off these amounts from any amount owed to the Director from the Bank.
6. The Bank shall be entitled to any amount to be paid by any third party (even if paid to the Director) for any act or omission for which the Bank paid indemnification as stated above.
7. The grant of indemnification is also subject to the fulfillment of the following procedures:
- 7.1 The Director shall notify the Bank of any legal or administrative proceeding against such Director and of any suspicion or threat that such a proceeding will be initiated against him, within 3 business days of the date of first becoming aware thereof (and if he was prevented by law from making such a notification, immediately when such an aforementioned prevention period expires), and shall transfer to the Bank or to whomsoever the Bank shall notify, without delay, a copy of any document served on the Director in connection with such proceeding.
- Moreover, the Director shall notify the Bank on an ongoing basis about any event with respect to which it is suspected that legal or administrative proceedings will be initiated.
- 7.2 The Bank may assume the handling of the defense of a Director before such proceeding and/or deliver the handling of the case to an attorney selected by the Bank for this purpose, at the exclusive discretion of the Bank.
- The Bank and/or such attorney shall be entitled to act within the scope of the handling of such case exclusively (although reporting on an ongoing basis to the Director and its consultants) to bring about the conclusion of such proceedings, all as they see fit.
- 7.3 At the request of the Bank, the Director shall sign any document authorizing the Bank and/or such attorney to handle the defense on his behalf before such proceedings, and to represent him in all matters in

connection therewith, according to the above provisions. As part of this, every Director shall authorize the Bank to take any measures at its disposal to collect any amount borne by the Bank under a judgment which was reversed, in whole or in part, in an appellate court.

- 7.4 At the reasonable request of the Director, the Bank and/or the attorney on its behalf, shall report on an ongoing basis to the Director, from time to time, about the handling of his aforesaid defense.
- 7.5 The Director shall cooperate fully with the Bank and/or with any such attorney, or any other consultant appointed by the Bank, as any of the aforesaid may request within the scope of their handling of the case in connection with such proceeding, provided however that the Bank ensures that all incidental costs are fully covered in such manner that the Director shall not be asked to pay or finance them himself.
- 7.6 The Bank shall notify the Director of its intention to conduct such a proceeding as stated above. Upon giving such notice, and the management of the proceeding by the Bank, the Bank shall not be obligated to indemnify for litigation expenses, including attorneys' fees (except as stated in Section 7.5 above), incurred by the Director in relation to management of the legal defense, and the Director shall have no contentions and/or claims and/or demands against the Bank and/or any one on its behalf for the management of the defense by the Bank as aforesaid.
- 7.7 Alternatively and notwithstanding the above, the Director may assume the management of his defense and appoint his own attorney, and in such case, the provisions of Sections 7.2 – 7.6 above shall not apply, however, the management of the Director's defense, including appointment of an attorney and the determination of his fee, shall be carried out upon the prior written consent of the Bank.

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- 8.1 The undertaking of the Bank under this Resolution in connection with the Events shall remain in effect in favor of the Director also after the termination of his term as Director at the Bank, provided however that the activities and/or acts and/or the omissions in connection with which the indemnification shall be given occurred during his term as Director at the Bank and relate to this period; ~~in connection with the Events~~.
- 8.2 Nothing in this undertaking shall restrict the Bank or prevent it from granting an additional or specific indemnification, provided however that this shall not prejudice the undertakings of the Bank to grant the indemnification, which shall be given pursuant to this Resolution.

9. This Resolution does not prejudice the Bank.

Appendix A

Categories of The Events

Set forth below is a list of Events which were approved both by the Audit Committee and by the Board of Directors of the Bank. It is clarified, for the prevention of doubt, that grant of an indemnification for the Events stipulated below is subject to and contingent on the fulfillment of the conditions set forth in the body of the Letter of Indemnification (for example, indemnification will not apply to an event involving a breach of a fiduciary duty (except a breach of a fiduciary duty in good faith and with reasonable cause to presume that the act will not prejudice the Bank) or an intent to secure a personal gain).

1. An offering and/or issue of securities and/or a listing or delisting of securities, including but not derogating from the generality of the above, a public offering of securities under a prospectus, a private offering or an offering of securities of the Bank in any other manner whatsoever, including procurement offers, a self-acquisition of securities by the Bank, and any matters directly or indirectly deriving from and/or in connection with such an issue, including performance of due diligence, delivery of information, either written or verbal, documents, opinions and reports, whether made before the offering and/or issue or made during the offering and/or issue or thereafter, and irrespective of the time which has elapsed since the offering and/or issue, and including in connection with a prospectus or draft prospectus and with any other document under which such issue was performed.
2. Reporting, giving, transfer, delivery or publication of information, data, details, presentations, opinions, documents, financial statements or other reports or notices (hereinafter, the "**Information**"), including under the Companies Law, 1999, the Companies Ordinance [New Version], 1983, the Banking Ordinance, 1941, the Securities Law, 1968, the Banking (Licensing) Law, 1981, The Bank of Israel Law, 2010, the Restrictive Trade Practices Law, 1988, the Prohibition of Money Laundering Law, 2000, the Regulation of Investment Advice, Investment Marketing and Investment Portfolio Management Law, 1995, the Financial Services (Control) (Pension Consulting, Marketing and Clearing House) Law, 2005, Income Tax Ordinance [New Version] and the equivalent legislation abroad, and also under Regulations, Orders and Rules enacted and published by virtue thereof or under rules or guidelines customary at the Stock Exchange in Israel and/or on stock exchanges abroad and/or under the directives of the Supervisor of Banks or banking supervision authorities abroad, to any competent authority in Israel and/or abroad and/or any third party, including the public, the Bank, the Board of Directors of the Bank, customers, the stock exchange, the Registrar of Companies, the Securities Authority, the Supervisor of Banks, the Supervisor of the Capital Market, Insurance and Savings at the Ministry of Finance and the tax authorities.

3. Compliance or non-compliance with orders, demands, instructions, directives and rules of the various authorities, institutions and entities in Israel and abroad, providing that such do not constitute a criminal offence pursuant to Israeli law, including the Bank of Israel, the Israel Securities Authority, the Registrar of Companies, the Tel Aviv Stock Exchange, the Tax Authority and the Ministry of Environmental Protection.
4. Activities and/or decisions in connection with the preparation, drafting, approval or signature of financial statements, interim financial statements, annual statements, periodic and quarterly statements etc., including the making of any evaluation in connection with the effectiveness of internal auditing (SOX), the adoption of resolutions regarding the operation of accounting rules and restatement in the financial statements, on the basis of accounting estimations and assessments (*inter alia*, for the purposes of IFRS), in addition to work plans, business plans or forecasts in connection with the Bank.
35. Activities in connection with the issue, receipt of licenses, permits, exemptions and approvals in Israel and/or abroad (including business licenses and the approvals required for management of the Bank's business in Israel and abroad, and including exemptions with respect to anti-trust and banking and fulfillment of the terms thereunder, including the delivery of information in connection with such licenses, permits and approvals.
46. Resolutions and activities in connection with a distribution, including a distribution of dividends to the shareholders of the Bank.
57. An activity in connection with investment, acquisition, sale ~~(including the exercise of securities and options)~~ of securities, assets or rights including activities (including the exercise of securities and options) related to securities and options in subsidiaries and/or other non banking companies in Israel and/or abroad as well as decisions and/or activities related to the management of the Bank's own (Nostro) account.
68. An activity and/or transaction deriving from or in connection with the Bank's holding subsidiaries and/or non banking companies in Israel and/or abroad, including voting and participation at the general meeting, appointment of senior corporate officers therein and any activity and/or transaction carried out by a Senior Corporate Officer by virtue of his function as Senior Corporate Officer on behalf of the Bank in the subsidiary and/or non banking company according to the categories of Events with respect to which such company gave a prior indemnification and/or undertaking to indemnify the Senior Corporate Officers therein, and in his function as Senior Corporate Officer on behalf of the Bank in a subsidiary which is a banking corporation, also according to the categories of Events set forth in this Appendix in such subsidiary.
9. Activities in connection with the conduct and management of auditing of the activities of the Bank, its employees and Senior Corporate Officers, handling

faults, exceptional events (such as ethical offenses, fraud and corruption, including activities in connection with the exposure of corruption) and complaints of employees and/or customers and/or other third parties, follow-up on the implementation of audit reports and remedying faults, preparation and approval of work plans for auditing and supervision of internal auditing work.

10. Any activity during the regular course of business concerning the bank-customer relationship, and without derogating from the generality of the above, any activity, act and/or omission in connection with the opening, management and closing of an account, transfer and deposit of monies from and to the account, deposits and withdrawals of monies, collection of commissions or payment of interest, delivery of documents to the customer, receipt of documents and/or information from the customer (including information or documents in connection with a third party), signing the customer on documents and forms, upholding the duty of confidentiality and obligations under the Protection of Privacy Law, 1981 and the Consumer Protection Law, 1981, deductions and set offs, in addition to providing the customer and/or third party with any information in connection with the account, and any reporting or lack of reporting to the customer and/or any authority or regulatory or other entity in connection with the account.

911. An activity in connection with the provision (including as part of a consortium), renewal, non-renewal or cancellation of credit, credit recycling, receipt, registration and handling of collateral, taking action rendering all or part of the credit immediately due and payable or any activity for collection of credit or realization of the collateral, including by means of appointment of a receiver, handling of problematic debts or debt rescheduling or making an arrangement with debtors as well as adopting resolutions with respect to risk management for credit loss – risk in consequence of the likelihood that the other party to the transaction will fail to meet its undertakings. For this purpose, "credit" includes the definition in the Banking (Licensing) Law, 5741-1981.

~~40~~12. Activities and transactions in connection with receipt, management and payment of deposits, investments in provident funds and savings funds, the fixing and collection of commissions, interest and expenses, activities and transactions in the capital market for customers, including management of investment portfolios, consulting on investments and a joint investments trust fund, pension consulting, tax consulting, sale of auxiliary products in connection with the aforesaid services and referral to obtain such services or granting assistance to obtain such services, in addition to adopting resolutions on market risks management – risks of loss in on-and-off balance sheet positions deriving from any change in the fair value of the financial instrument in consequence of any change in market conditions.

~~44~~13. Any activity in connection with giving due diligence to customers and/or in connection with the delivery of information on commissions and interest, including any activity under Sections 5 and 5A of the Banking (Service to

Customer) Law, 1981, under Section 4 of the Consumer Protection Law, 1981 and under the rules determined under the authority under Sections 5 and 5A, and delivery of information to customers under the provisions of any law, and any activity in connection with collection of commission and/or interest, including the calculation thereof.

~~12~~14. An activity and/or transaction in connection with the publication and/or marketing of the Bank's activities and business (including banking services, commissions, interest, savings plans, grant of loans, investments in financial assets, issue and management of credit cards, etc.), including preparation for publication and/or marketing, as well as the correctness and non-misleading nature of the publication.

~~13~~15. An activity in connection with the establishment, registration, management and use of registers and databases, as defined in the Protection of Privacy Law, 1981, including a computerized database on account numbers and identifying particulars of account holders, authorized signatories, beneficiaries and holders of a controlling interest, as determined in the Prohibition on Money Laundering (Duties of Identification, Reporting and Keeping of Records of Banking Corporations) Order, 2001.

~~14~~16. An activity or transaction in connection with debit cards issued by the Bank or a corporation under the control of the Bank, and including the issue of the debit card, entering into a contract for the use of a debit card with customers, charging the customer under the debit card contract, reimbursement of charge amounts to the customer, passing on explanations to the customer and delivery of reports on transactions with the debit card and cancellation of a deferred payment transaction.

~~15~~17. An activity in connection with identification, reporting and keeping records as provided by law, including in the Prohibition of Money Laundering Law, 2000 and the Regulations, Orders and Rules enacted and published thereunder, including the Prohibition on Money Laundering (Duties of Identification, Reporting and Keeping of Records of Banking Corporations) Order, 2001 and/or as determined in the Prohibition on Terror Financing Law, 2005 and the Regulations, Orders and Rules enacted and published thereunder and/or as determined in other statutes and laws, including Orders, Regulations, Rules and Instructions issued thereunder; and including registration and authentication of identifying particulars at the time of opening an account, receipt of documents and declarations at the time of opening an account, "face to face" identification of the account holders and the authorized signatory, reporting to the competent authorities on activities according to size, management of a computerized database on the account numbers and identifying particulars of the account holder, authorized signatories, beneficiaries and holders of a controlling interest in the account, as well as saving documents in transactions according to size.

~~16~~18. An activity in connection with identification, reporting and management of records, ~~pursuant to the provisions of the Prohibition of Money Laundering~~

~~Law, 2000 and the Regulations, Orders and Rules enacted and published thereunder, including the Prohibition on Money Laundering (Duties of Identification, Reporting and Keeping of Records of Banking Corporations) Order, 2001, including registration and authentication of identifying particulars at the time of opening an account, receipt of documents and declarations at the time of opening an account, "face to face" identification of the account holder and authorized signatory, verification of signatures reporting to the competent authorities on activities ~~according to size~~, management of a computerized database on account numbers and identifying particulars of account holders and other details, authorized signatories, beneficiaries and holders of a controlling interest in the account, ~~and~~ saving of documents on transactions ~~according to size~~, under the provisions of any law, either Israeli or foreign, and including and without derogating from the generality of the above, banking laws, securities laws, tax laws, laws prohibiting money laundering and terror financing in the Money Laundering Law, 2000 and the Regulations, Orders and Rules enacted and published thereunder, including the Prohibition on Money Laundering (Duties of Identification, Reporting and Keeping of Records of Banking Corporations) Order, 2001.~~

- ~~17~~19. Management of employer-employee relations, including employment agreements, conducting negotiations, hiring, employee benefits, determination and alteration of working conditions, granting employee options, rights to employee benefits, rotation, removal of an employee from his position, termination of the employer-employee relationship and work safety matters.
20. Outlining policies and/or procedures, assimilation of information, procedures, laws, regulations, rules, regulatory and other instructions among the Bank's employees, and any defect, fault or shortcoming in the supervision and/or auditing and/or control and/or job descriptions and/or delineation of powers or failing to take measures to prevent such defect.
21. Any activity which was the subject matter of any investigation, examination, inquiry, proceeding and/or audit on behalf of any enforcement authority or other entity, either in Israel or abroad, including, but not only, an inquiry under Section 52AAA of the Securities Law, 1968, and other inquiries under banking laws, securities laws or tax laws.
22. Any activity creating and/or enabling the creation of a restrictive arrangement or other trade restriction, the transfer of information between competitors and any other collusion, including in relation to the price, rate of interest or other conditions of a service provided by the Bank or of any other matter.
23. Any activity concerning access, proper representation, non-discrimination as well as upholding the rights of persons with disabilities and any discrimination on any other ground.
24. Any remark, statement, expression of an opinion or viewpoint, either written or verbal or in any other manner, including within the scope of a meeting or

assembly or any other forum, or by means of distribution or publication of a document, message, response or notice.

~~23~~25. Any activity in connection with a restructuring or reorganization of the Bank or the Leumi Group, including the formation and sale, liquidation, and merger or split of companies in the Bank's group or an alteration of the Bank's or its subsidiaries' equity capital.

26. Activities and/or resolutions causing, contributing, creating, increasing, preserving, enabling, not preventing and/or not reducing, directly or indirectly, damage or injury to the environment, including to the quality of air, water, food, land, plants and animals and/or exposing humans, animals or plants to injury, damage, nuisance or sickness.

~~25~~27. Any provision stated above in this Appendix concerning performance of a specific activity shall be interpreted as relating also to adoption of a resolution and non performance thereof or refraining from performance of such activity, all unless the context in the specific provision is inconsistent with such an interpretation.

In this Appendix, the "**Bank**" means Bank Leumi le-Israel B.M. and any subsidiaries or companies under its control, in Israel and abroad, as these terms are defined in Directive 661 of the Directives on Reporting to the Public of the Supervisor of Banks.



Annex 2

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 30 October 2011 at 10:30 am, for the following purposes:

1. To amend Article 143 of the Bank's Articles of Association regarding insurance, indemnification and release with the object of enabling the Bank to indemnify and/or insure the Bank's Senior Officers pursuant to the provisions of the Israel Securities Authority Enforcement Procedures (Legislative Amendments) Law, 2011 (the "Increased Efficiency of Enforcement Procedures Law"), pursuant to the amended text published by the Bank in Hebrew within the scope of the Immediate Report on the convening of a General Meeting on the distribution site of the Securities Authority (Magna).
2. Subject to the resolution of the General Meeting as set forth in clause 1 on the agenda, to approve the amendment to the text of the letter of indemnification granted by the Bank to the Directors, whereby an advance indemnification undertaking shall also be with respect to expenses and/or with respect to payment to an injured party under and subject to the provisions in the Increased Efficiency of Enforcement Procedures Law, in the amended text published by the Bank within the scope of the Immediate Report on the convening of a General Meeting on the distribution site of the Securities Authority (Magna).
3. To approve additional updates and amendments to the text of the letter of indemnification granted by the Bank to the Directors, including under Amendment no. 14 of the Companies Law, 1999, and including an update to the appendix regarding the events which, in the opinion of the Audit Committee and the Board of Directors, are foreseeable in light of the Bank's actual activities, with attention to the changes and developments in the nature and scope of the legal risks applying to the Bank and the Group, all as set forth in the amended text of the letter of indemnification published by the Bank within the scope of the Immediate Report on the convening of a General Meeting on the distribution site of the Securities Authority (Magna).

The majority required to approve the resolutions on the agenda 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 in relation to items 2 and 3) or by proxy.

Should the Meeting be adjourned, the adjourned Meeting will be held on 6 November 2011, at the same place and time.

The record date for the entitlement of all stockholders to vote at the General Meeting is 28 September 2011.

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 sections 2 and 3 on the Agenda.

The addresses of the distribution website of the Israel Securities Authority (the "**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) may be obtained:

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 he does not wish to receive such notice, 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 such was requested, and on condition that such a request on this matter is given in advance in respect of a particular securities account.

The final date for delivery of position papers to the Bank is 9 October 2011.

The final date for delivery of voting papers to the Bank is 27 October 2011, at 10:30 am.

Apart from the option of voting by means of a voting paper, 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 form, 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 28 October 2011 at 10:30 am. In the case of a stockholder whose name is not registered in the Register of Shareholders, he/she must attach to the proxy form 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 documents relating to the resolutions on the agenda may be examined at the Secretariat of the Bank, at the registered office of the Bank, Leumi House 34 Yehuda Halevi Street, (11th floor), Tel Aviv, Tel: 03-5149716 on Sundays to Thursdays between 8:00 am and 3:00 pm. Notwithstanding the above, the offices of the Bank shall be closed on the eves of festivals and festivals, and including the intermediate days of Sukkot, between 12 October 2011 (inclusive) until 20 October 2011 (inclusive).

Furthermore, for further information on the General Meeting, the Immediate Report on the convening of the General Meeting filed on 22 September 2011 may be reviewed on the Magna distribution site.

It is hereby clarified that a stockholder or a holder of a power of attorney who wishes to be present and/or to vote at the General Meeting must bring the following documents, which he will be required to present:

- (1) An identity card or passport or valid driver's license;
- (2) A certificate of ownership which is valid as of the record date, 28 September, 2011.

Anyone who is not a stockholder or who is a stockholder without a certificate of ownership which is valid as of 28 September 2011, may not be present and may not vote at the General Meeting.

A stockholder whose shares are registered in his name in the Bank's Register of Shareholders is not required to bring such a confirmation of ownership.

Tel Aviv, 22 September 2011

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

Annex 3

BANK LEUMI LE-ISRAEL B.M.

Voting Paper pursuant to the Companies Regulations (Written Voting and Position Papers), 2005 (the "Regulations") in respect of the Special General Meeting to be held on 30 October 2011.

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: Special General Meeting. The General Meeting will be held on 30 October 2011 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 6 November 2011, 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 2: Approval of amendment to the letter of indemnification granted by the Bank to the Directors under the Increased Efficiency of Enforcement Procedures Law

Description of item:

The Audit Committee of the Board of Directors on 6 September 2011, and thereafter the Bank's Board of Directors on 13 September 2011, decided to recommend to the Bank's General Meeting, to amend the letter of indemnification given to the Directors in the text of the amended letter of indemnification attached to the Immediate Report, so that an advance indemnification undertaking will also be given with respect to expenses and/or with respect to payment to an injured party under and subject to the provisions of the Increased Efficiency of Enforcement Procedures Law, subject to approval by the General Meeting of the Bank to the amendment to the Articles of Association as set forth in clause 1 on the agenda.

In this context, it is noted that in all matters relating to the exercise of indemnifications to be granted under the advance indemnification undertaking to the Senior Officers, the Bank is limited by the resolutions of the Bank whereby the actual exercise of the indemnifications is contingent on the fulfillment of two cumulative conditions: (1) the maximum amount with respect to the exercise of the indemnifications shall not exceed 10% of the equity capital of the Bank, and (2) the maximum amount with respect to exercise of the indemnifications shall not detrimentally affect the minimum capital ratio required under the Directives of the Supervisor of Banks.

Text of the Resolution: Subject to the resolution of the General Meeting as set forth in section 1 of the agenda, to approve the amendment to the text of the letter of indemnification granted by the Bank to the Directors in the amended text of the letter of indemnification attached, whereby an advance indemnification undertaking shall also be with respect to expenses and/or with respect to payment to an injured party under and subject to the provisions in the Increased Efficiency of Enforcement Procedures Law.

The majority required: 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: Approval of additional updates and amendments to the letter of indemnification granted by the Bank to the Directors

Description of item:

In addition to the amendment to the letter of indemnification to the Directors as stated in item 2 on the agenda, the Bank's Audit Committee and the Board of Directors decided to recommend to the Bank's General Meeting to update the text of the letter of indemnification to the Directors, including according to Amendment no. 14 of the Companies Law, 1999, and including an update to the appendix regarding the events which in the opinion of the Audit Committee and the Board of Directors are foreseeable, in light of the Bank's actual activities with attention to changes and developments in the nature and scope of the legal risks applying to the Bank and the Group, all as set forth in the text of the amended deed of indemnification attached to the Immediate Report.

In this context, it is noted that in all matters relating to the exercise of indemnifications to be granted under the advance indemnification undertaking to the Senior Officers, the Bank is limited by the resolutions of the Bank whereby the actual exercise of the indemnifications is contingent on the fulfillment of two cumulative conditions: (1) the maximum amount with respect to the exercise of the indemnifications shall not exceed 10% of the equity capital of the Bank, and (2) the maximum amount with respect to exercise of the indemnifications shall not detrimentally affect the minimum capital ratio required under the Directives of the Supervisor of Banks.

Text of the Resolution: To approve additional updates and amendments to the text of the letter of indemnification granted by the Bank to the Directors, including under Amendment no. 14 of the Companies Law, 1999, and including an update to the appendix on the events which in the opinion of the Audit Committee and the Board of Directors are foreseeable in light of the Bank's actual activities, with attention to the changes and developments in the nature and scope of the legal risks applying to the Bank and the Group, all as set forth in the text of the amended letter of indemnification attached.

The majority required: 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 documents relating to the resolutions on the agenda of the General Meeting and the full text of the proposed resolutions may be examined on the distribution website of the Israel Securities Authority and on the website of the Tel Aviv Stock Exchange Ltd., or at the Secretariat of the Bank, at the registered office of the Bank, Leumi House, 34 Yehuda Halevi Street (11th floor), Tel Aviv, tel: 03-5149716, on Sundays to Thursdays between the hours of 8:00 am and 3:00 pm. Notwithstanding the above, the Bank's offices will be closed on the eves of festivals and on festivals, including on the intermediate days of Sukkot, between 12 October, 2011 (inclusive) and 20 October, 2011 (inclusive).
5. The voting paper will only be valid if an unregistered shareholder's certificate of ownership, as of the record date, is attached thereto (that is, a person in whose favor 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). 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 card, 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 by 27 October 2011 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 (11th floor).
7. Final Date for the delivery of Voting Papers to the Bank: 27 October 2011 at 10:30 am
8. Final Date for the delivery of Position Papers to the Bank: up to 10 days after the record date, i.e. by 9 October 2011.
9. Final Date for the delivery of the Response of the Board of Directors to the Position Papers: by 12 days prior to the date of the General Meeting, i.e. 18 October 2011.
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/she holds his stock, unless he/she notified the Stock Exchange member that he/she does not wish to receive the said link or that he/she 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 (28 September 2011), 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 69,236,022* par value ordinary stock of the Bank.

* As of 19 September 2011.

Voting Paper – Second Part

Companies Regulations (Written Voting and Position Papers), 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 (11th floor), for the attention of the Secretariat of the Bank

Company No.: 52-001807-8

Date of Meeting: 30 October 2011, at 10:30 am

Type of Meeting: Special

Record Date: 28 September 2011.

(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 Card –

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 ¹		
	In Favor	Against	Abstain
2			
3			

Date

Signature

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

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

¹ Failure to complete will be considered abstention from voting with regard to the relevant Item