

Application Form for (Non-Exclusive) Approval to Market Commemorative Coins, Special Coins, and Numismatic Items Issued by the Bank of Israel

1. By submitting this form and its appendices, the applicant (hereinafter, “the Applicant”) affirms her consent to all the conditions of the marketing approval and the application documents, including all the terms of the framework agreement (including its appendices) and the considerations taken into account by the Bank of Israel and Ministry of Finance (hereinafter, “the Client”) in approving the application, and the Applicant confirms that she has no reservations regarding them.
2. The Applicant declares that if her application is accepted and approved, as stated above, the Applicant undertakes to comply with the application documents and the framework agreement (including its appendices) attached as Appendix B, signed by the Applicant and hereby attached to the application documents.
3. The Applicant declares and acknowledges that, pursuant to the provisions of the Bank of Israel Law 5770-2010, marketing of the coins is contingent upon receiving approval of the Minister of Finance and consent of the Governor of the Bank of Israel, in addition to the Applicant’s conformity with the Client’s requirements stated on this form and in its appendices.
4. If the Applicant’s application is accepted and approval and consent of the Minister of Finance and the Governor of the Bank of Israel are granted, the marketing approval will remain in effect until its termination or revocation by the Client and/or the Minister of Finance. For the sake of clarification, the Parties may, for any cause and with no prior conditions, give notice of the termination of the Agreement and/or revocation of the marketing approval, by advance notice in writing, to be delivered 12 (twelve) months in advance of the scheduled date of termination, without derogating from any Party’s right to terminate the commitment at shorter notice or even with no advance notice in the event of default, as defined in the framework agreement.

This application form comprises two parts:

Part A - Details of the applicant – **Applicants must complete their details on this form and submit this form.**

Applicant’s declaration of satisfaction of threshold conditions – **Applicants must complete and sign the declaration as required and attach documentation that attests to satisfaction of the required threshold conditions.**

Declaration concerning lawful employment of foreign laborers and payment of minimum wage – **Applicants must complete and sign the declaration as required.**

Part B Framework agreement – **Applicants must submit a signed copy of this document.**

Send the applications documents listed above to each of the following offices:

- Bank of Israel, Coin Department – Issuing Division, 2 Eliezer Kaplan Street, Jerusalem
- Ministry of Finance, Account General Division, 1 Eliezer Kaplan Street, Jerusalem

No publication, reproduction, or use of this form, either in entirety or in part, shall be made for any purpose other than completion of this Application.

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Part A – Applicant’s Details

1. The Bank of Israel and the Ministry of Finance (hereinafter, “the Client”), jointly or severally, will review the Application and the Applicant’s satisfaction of the threshold conditions listed in the Application. Applications that do not satisfy all the threshold conditions will be disqualified. Applicants whose applications are disqualified will receive notice of their disqualification in writing, after their Application has been rejected.
2. Applicants must meet the threshold conditions throughout the entire marketing period; Failure to meet the threshold conditions may cause the immediate termination of the marketing approval, at the Client’s sole discretion.
3. To remove all doubt, in any event of a contradiction, inconsistency, or ambiguity in or among the application documents, a broad interpretation shall be given to the Applicant’s obligations or the Client’s rights. Applicants shall have no cause of action or complaint against the Client and/or the Client’s representative stemming from any ambiguity or contradiction in the application documents or in respect of the selected interpretation.
4. The Client reserves the right to use its own sources to verify the information provided by the Applicant. By submitting the Application, the Applicant and all its stakeholders are considered to have given their consent for the Client to obtain information related to them from state agencies, including all statutory authorities and/or entities.

Details of the Company / Management	
Supplier	
ID / CN	
Street	
City	
Zip code	
Country	
Owners (if company or partnership)	
General director	
Email	
Mobile phone no.	
Telephone no.	
Fax no.	
Details of contact person	
Name	
Telephone no.	
Fax no.	
Mobile phone no.	
email	

Authorized signatories		
Name	Surname	ID no.

Financial information and bank account details	
Bank account no.	
Bank no.	
Branch no.	
Bank address	
IBAN	
BIC (SWIFT, if any)	
VAT Dealer No.	
Bookkeeping Approval valid until	
Withholding Tax at Source Approval valid until	
Withholding Tax at Source code	
Exemption (%) from withholding tax at source	
No. of exemption from withholding tax at source	
Notes	

Attach a photocopy of a cancelled check or bank confirmation that the above bank account is administered at the bank branch noted in this form.

Part A - Applicant's Declaration of Satisfaction of Threshold Conditions

I the undersigned, _____, bearer of ID no. _____, after having been duly cautioned to state the truth or otherwise be subject to all the penalties prescribed by law, hereby affirm in writing as follows:

My name and my ID no. are as stated above.

I am submitting the declaration on behalf of the company/partnership _____, whose no. is _____ (hereinafter, "the Company"), in which I am an authorized signatory.

I declare that the following obtain:

1. The Applicant is duly incorporated in Israel.
2. The Applicant has all the following approvals required by the Public Entities Transactions Law 5736-1976:
 - a. Affirmation of an authorized clerk, accountant, or tax consultant, that the Applicant administers bookkeeping according to the Income Tax Ordinance [New Version] and VAT Law 5736-1975 (hereinafter, "the VAT Law"), or is exempt from administering the same, and the Applicant customarily reports its income to an assessing officer and reports transactions that are taxable under the VAT Law to a VAT director.
 - b. Affirmation regarding absence of convictions for offenses under the Foreign Workers Law 5751-1991 (hereinafter, "the Foreign Workers Law") or the Minimum Wage Law 5747-1987 (hereinafter, "the Minimum Wage Law").To remove all doubt it is stressed that the above affirmation should confirm to and is subject to the provisions of the Public Entities Transactions Law 5736-1976.
3. The Applicant is engaged in the sale of commemorative coins and/or medals and/or art-related products and/or precious stones and/or precious metals and/or jewelry and/or collectors' items and/or Judaica and/or other products, the Applicant's activities in the sale and selling of which are, at the sole discretion of the Bank, relevant to the marketing and sale of commemorative coins and other items issued by the Bank (hereinafter, "the Relevant Products") in or outside Israel, and the Applicant has sold Relevant Products to no fewer than 500 unique customers (in total) in the three years preceding the submission of the application. The Client may recognize satisfaction of this condition even if it is not satisfied by the Applicant itself but is satisfied by another corporation (including a foreign corporation) that holds more than 50% of the equity and means control of the Applicant and undertakes to continue to do so throughout the entire period of engagement.
4. The Applicant had revenues of no less than NIS 1,000,000 (one million new Israeli shekels) from the sale of Relevant Products in each of the three years preceding the submission of the Application. The Client may recognize satisfaction of this condition even if it is not satisfied by the Applicant itself but is satisfied by another corporation (including a foreign corporation) that holds more than 50% of the equity and means control of the Applicant and undertakes to continue to do so throughout the entire period of engagement.
5. The Applicants, its controlling shareholders, and senior officers have not been convicted, either in or outside Israel, of any offense defined as a "misdemeanor" by the Penal Law 5737-1977 or any more serious charge in the five years preceding the submission of this Application, unless the statute of limitations on it has passed; or an offense or moral turpitude or a violation of the tax laws of the State of Israel (such as failure to transfer deductions and non-reporting to the tax authorities), unless the statute of limitations according to the Criminal

Register and Rehabilitation Law 5741-1981 has passed; and no indictment has been filed as of the application submission date, and no investigation is being conducted against any of them, either in or outside Israel, under the suspicion of the commission of said offenses (unless the Client decides, at its sole discretion, that filing of the indictment or the investigation does not affect the compatibility of the Applicant and the worker with the Client's requirements).

6. No motion or order of liquidation/receivership/bankruptcy was issued against the Applicants, any stakeholders in the Applicants, any corporation that was or is in control of the Applicant, or any corporation in which the Applicant had or has a stake, or against any director or officer, either in or outside Israel, according to the Companies Ordinance [New Version] 5743-1983 or according to the Bankruptcy Ordinance [New Version] 5740-1980, as the case may be, or a settlement or arrangement proceeding was conducted with respect to the above entities according to Section 233 of the Companies Ordinance or according to Section 350 of the Companies Law 5759-1999, or any other arrangement with creditors, including an arrangement to pay a debt in installments.
7. There is no impediment under law that prevents the Applicant from upholding all its obligations in the agreement attached as Part B to the application documents, and, at the Client's discretion, there is no direct or indirect conflict of interest between the interests of the Applicant and/or any stakeholder therein, and the performance of works by the Applicant and the Applicant's representatives. If the Applicant's first-degree relatives are employees of the Client, the Applicant must note this fact clearly on the Application.
8. The Applicant is familiar with Israeli law, including the laws that apply in Israel, and all the laws, provisions, and requirements related to registration and licensing that apply to the Applicants, including the Protection of Privacy Law 5741-1981.
9. There is no impediment by law or contract to which the Applicant is party that prevents the acceptance of the Applicant's application or the performance of all the Applicant's obligations according to the agreement attached to the Application Form and marked Part B.
10. In its Application, the Applicant submitted all the relevant material and attached the appropriate documents and documentation that attest to the Applicant's satisfaction of the requirements, above and below, all as described in detail below.
11. The Applicant viewed and inspected all the engagement documents and all the relevant data, of all kinds, related to the marketing approval and/or the delivery of the services and/or the Applicant's application; The Applicant performed all the relevant inspections related to that independently, at the Applicant's sole discretion, without having relied on any information given to the Applicant, if any, by the Client and/or its representative, and submitted the Application on this basis, based on the Applicant's understanding of and consent to all the marketing terms, including but without derogating from the generality of these provisions, the manner in which the application will be approved. Applicants that submit an application will have no cause to claim that they were unaware and/or did not understand any detail related to the Application and/or its conditions and/or the services and/or that the Applicant relied in any manner on any representation made by the Client and/or the Client's representative.
12. The Applicant is expressing her consent to all the marketing conditions and to everything contained in the application documents (including its appendices), including all the terms of the agreement and the considerations that are taken into account in approving the application, and the Applicant affirms and undertakes that it and/or its representatives do not have now nor will have in the future any claim and/or demand and/or complaint of any kind against and/or with respect to any marketing condition (including all the sections and appendices of the marketing conditions).

13. The Applicant agrees that the Client may, but is not obligated, at the Client's sole and absolute discretion and in any such manner and under any such conditions as the Client chooses, to disqualify an application due to any modification or amendment made therein, and to accept or disregard any modification or amendment made to an application; or to permit an applicant whose application is incomplete, flawed or contains reservations, to correct or complete the application, or even permit the Applicant to leave the application as it is.
14. The Applicant has not submitted more than one application and is not involved, either directly or indirectly, in the submission of an additional application for approval to market commemorative coins. The Applicant, any stakeholder therein, and any entity in which the Applicant is an officer, or has an interest, and any representative of any of them, shall take no action to coordinate its application with the application of any other applicant, in any manner, including the exchange of information, comments, and/or understandings.

I hereby affirm that the signature that appears in the margins of this document is my signature and the content of this declaration is true.

Signature and Stamp

Date

Name of Applicant

Affirmation

I, the undersigned, Attorney _____ (License No. _____) hereby affirm that on _____ there appeared before me in my office at _____ Street, _____, Mr/Ms _____, who identified him/herself by ID no. _____ / whom I know personally, and after having cautioned him/her to tell the truth or otherwise be subject to the penalties prescribed by law, confirmed his/her declaration and signed it in my presence.

Signature

and Stamp

Part A – Declaration Regarding Lawful Employment of Foreign Workers and Payment of Minimum Wages

I, the undersigned, _____, bearer of ID no. _____ after having been duly cautioned to state the truth or otherwise be subject to all the penalties prescribed by law, hereby affirm in writing as follows:

My name and ID no. are as stated above.

I am submitting this declaration on behalf of myself/the company _____, whose Company No. is _____ (hereinafter, “the Company”), in which I am an authorized signatory.

(a) Neither I, nor the Company, nor anyone related to the Company or to me has received a final conviction of any offense under the Foreign Workers Law in the year preceding the signing date of this declaration.

(b) If I or the Company and/or anyone related to the Company or to me received a final conviction of two or more offenses under the Foreign Workers Law, the most recent conviction was not in the three years preceding the signing date of this declaration.

(c) Neither I, nor the Company, nor anyone related to the Company or to me has been convicted of an offense under the Minimum Wage Law.

(d) If I or the Company and/or anyone related to the Company or to me received a final conviction of one offense under the Foreign Workers Law, at the signing date of this declaration at least one year has elapsed since the conviction date.

(e) If I or the Company and/or anyone related to the Company or to me were convicted of two or more offenses under the Minimum Wage Law, at the signing date of this declaration at least three years have elapsed since the most recent conviction date.

In the matter of these clauses:

“means of control,” “possession, “connection,” “conviction” and “material control” – as defined in Section 2B of the Public Entities Transactions Law 5736-176

Minimum Wage Law – Minimum Wage Law 5747-1987

Foreign Workers Law – Foreign Workers Law (Prohibition on Unlawful Employment and Assurance of Fair Conditions) 5751-1991

I affirm that the signature below is my signature and the contents of this affirmation are true.

Affiant’s name and signature

Affirmation

I, the undersigned, Attorney _____ (License No. _____) affirm that on _____ there appeared before me in my office at _____ Street, _____, Mr/Ms _____, who identified him/herself by ID no. _____ / whom I know personally, and after having cautioned him/her to tell the truth or otherwise be subject to the penalties prescribed by law, confirmed his/her declaration and signed it in my presence.

Signature

and Stamp

Part B – Agreement

Applicants should attach the agreement after it has been signed on page 20 by an authorized signatory of the applicant and initialized on each page.

FRAMEWORK AGREEMENT

Drafted and signed in Jerusalem on this _____ day of the month of _____, in the year _____

by and between

The Bank of Israel
Kiryat Ben Gurion, Jerusalem
(hereinafter, "the Bank")
of the first part;

and

(hereinafter, "the Company")
of the second part;

- Whereas The Bank, under Section 43A of the Bank of Israel Law 5770-2010 (hereinafter, "the Bank of Israel Law"), as amended from time to time, may issue commemorative coins, special coins, and numismatic items that are legal tender in the State of Israel (hereinafter, "the Coins"); and
- Whereas The Company has the knowledge and the tools required to market the Coins in Israel and overseas; and
- Whereas The Company submitted an application for approval to market commemorative coins issued by the Bank, and its application was reviewed and the Company was found to meet the threshold conditions for marketing the Coins, and the Company was subsequently approved by the Minister of Finance, with the consent of the Governor of the Bank, as a non-exclusive marketer of the Coins; and
- Whereas Upon receipt of said approvals, the Bank and the Accountant General Division of the Ministry of Finance (hereinafter, "the Ministry of Finance") wish to enter into a non-exclusive marketing agreement with the Company regarding the Coins; and
- Whereas The Bank must supply the Coins to the Company for the purpose of marketing, for the period stated in this agreement below; and
- Whereas The Parties wish to define the terms and arrangements under which the Company will purchase the Coins from the Bank and market them (hereinafter, "the Work") and the terms at which the Company will pay the Bank and the Ministry of Finance for the Coins and for the use of the list of subscribers (defined hereinafter);

The Parties therefore agree and stipulate as follows:

1. Preamble

- 1.1. The preamble, declarations, and appendices to this agreement constitute an integral part thereof, and serve as the foundation for the Parties' contractual relations.
- 1.2. The headings of the clauses should not be used in the interpretation of the clauses and have been added solely for the sake of convenience.
- 1.3. The marketing approval application documents including their appendices, as published by the Bank and the Ministry of Finance, including any clarifications made with respect thereto, and all supplements and corrections made thereto and agreed between the Company and the Bank in writing, constitute an integral part of this agreement and are of equal status to the other terms of the agreement.
- 1.4. Any contradiction or inconsistency between the various agreement documents, or between various provisions of a single document will be interpreted in such manner that broadens the Company's obligations or the rights of the Bank and the Ministry of Finance.

2. The engagement

- 2.1. The Bank hereby grants to the Company, and the Company hereby assumes the purchase and marketing of the Coins (hereinafter, "the Work"), as described in this agreement hereinabove and hereinafter.
- 2.2. The Company hereby undertakes to perform the Work according to this agreement, independently and through its employees. Any agreement entered into by the Company for the purpose of performing any of its obligations under this agreement in the form of subcontracting or on any other basis shall be made pursuant to the terms defined in paragraph 28 hereinafter.
- 2.3. This agreement is a framework agreement that regulates the commitments of the Parties on all aspects related to the performance of the Work. Furthermore, the Parties may enter into specific agreements concerning any specific coin and/or type of coins or processes, in which they may define agreements concerning the Company's actions in fields related to the performance of the Work, such as purchase of the metals used to manufacture the Coins, manufacture of the Coins, shipping and safeguarding the Coins, and additional operating issues that may be required, if any, at any stage, all at the sole and absolute discretion of the Bank, and pursuant to, among other things, the general principles attached hereto and marked Appendix C4. To the extent that any such specific agreements are signed and do not define a complete arrangement of the Parties' relationship, the provisions of this agreement will supplement any missing elements.
- 2.4. Without derogating from the generality of the provisions of paragraph 2.3 hereinabove, after signing this agreement, in the event that the Company expresses its willingness and the Bank finds that the Company has the available tools and capabilities to independently perform a portion of the activities subsumed under the Coin issuing procedure, at the standards and quality required according to the Bank's opinion, and subject to, among other things, the provisions of Appendix C4 of this

agreement concerning the various functions and control and supervision procedures to be performed by the Bank, the Bank may sign specific agreements with the Company, to be revised from time to time, concerning the performance of activities that are part of the procedures to issue one or more Coins and/or to manufacture Coins, beyond the provisions of this agreement. In this regard it is stressed that if the Company fails to meet the Bank's requirements and expectations on all aspects related to said activities that are part of the procedures to issue the Coins, which were assigned to it, either in entirety or in part, including in the event of inadequate quality of the Company's work, the Bank may, at its sole discretion, reassume the performance of said activities, either in entirety or in part.

3. General

- 3.1. The Bank is the exclusive issuer of the Coins and will, at its discretion, decide on the issuance of the Coins and the details of each such issue. Nonetheless, before the Bank decides to issue a Coin, the Bank may consult with the Company on selecting the subject of the Coin, its design, its face value, its dimensions, shape, and composition. Such consultation does not detract from the Bank's powers to make a final decision on said matters, at its sole and absolute discretion.
- 3.2. Without derogating from the Bank's powers under paragraph 3.1 hereinabove, the Company may propose to the Bank subjects for coin issues. The Company's proposals shall include the topic of the coin, its face value, its dimensions, shape, and composition, the proposed issue date, the maximum amount, and details of the quantities of the coin in each type of metal and finish (decorative/ordinary) and the proposed marketing dates for the coin. Such proposals does not detract from the Bank's powers to make a final decision on the marketing of the future coin, its scope, contents, and other details, all at its sole and absolute discretion.
- 3.3. The Bank undertakes to issue at least three (3) Coins in each calendar year. The Bank may increase the number of Coins issued each year, at its sole and absolute discretion, and such determination will be made by the Bank based on, among other things, the interest that the Company and/or other marketers express in marketing additional Coins. The Bank will notify the Company in writing in advance of any change in the number of Coins to be issued. The (at least) three Coins to be issued by the Bank will include, at the Bank's discretion, such commemorative coins, special coins, numismatic items and/or other currency-related collectors' items as the Bank decides to market to the public.
- 3.4. Notwithstanding the above, the Company declares and acknowledges that the approval for issuing the Coins entails statutory procedures that include, among other things: a recommendation of the committee for the design of banknotes, coins, and commemorative coins; the Governor's determination and announcement of the details of the coins; approval of the details of the Coins by the executive board of the Bank of Israel; approval of the details of the Coins by the Government of Israel; and publication of the details of the coins in Reshumot. The Company further declares and acknowledges that it may not commence the sale of the Coins before all the above procedures have been completed and the Bank's approval to do so has been given. The Company further declares and acknowledges that the Bank has no control over the statutory approvals of other public entities and therefore, the Bank's failure to meet the schedules defined in itself, including due to the absence of statutory

approvals, will not be considered a breach by the Bank of any of its obligations, and the Company will not be entitled to any compensation in respect of such failure to meet said schedules.

- 3.5. The Bank may, at its sole discretion, from time to time, also issue to the public additional numismatic items that are legal tender in Israel as well as other currency-related collectors' items that it decides to market to the public. The Bank does not undertake to issue a minimum number of such additional numismatic and/or collector items or issue any, all pursuant to the provisions of paragraph 10 of the agreement.
- 3.6. Subject to the provisions of the Bank of Israel Law, the Company will be one of several marketers of the Coins and not an exclusive marketer. Nothing in this paragraph detracts from the Bank's right to hold coins, numismatic items, and other items, in any quantity as it chooses, and to convey them either for or without consideration to its employees or to any other individual, and to enter into identical or similar agreements with additional marketers, at its sole and absolute discretion.

4. Consent to manufacture Coins

- 4.1. If the Bank decides to issue a coin, whether at its own initiative or in response to the Company's initiative or the initiative of another marketer, the bank will notify the Company and provide in its notice details of the issue, including the subject of the coin; its design; face value; dimensions; shape; composition; quality of finishing (decorative/ ordinary); number of different editions; quantity in the initial issue, after which only additional quantities will be minted until the maximum quantity has been issued; and the maximum quantity to be issued in each edition.
- 4.2. Upon receiving such note as described in paragraph 4.1 hereinabove, the Company will inform the Bank of the initial quantity that it wishes to receive of each type and each edition of a Coin, according to the tranches listed in paragraph 5.4 hereinafter. The Company's response constitutes acceptance of the Bank's notice. If the demand for the Coins, as the various marketers inform the Bank, exceeds the quantity issued by the Bank in any coin and/or edition, each marketer will receive a relative share of the quantity effectively issued by the Bank.
- 4.3. In an additional notice to the Company, the Bank will specify the expected date of delivery of the Coins to the Company, and the date before which the Company will not commence the sale of the Coins, and the estimated total cost of the Coins to be delivered to the Company. The Bank's notice to the Company will include the information necessary to calculate the cost of the Coins ordered on behalf of the Company, for the matter of paragraph 6 hereinafter.
- 4.4. Upon receipt of the additional notice as stated in paragraph 4.3 hereinabove, the Company will confirm receipt of the Bank's notice. The Bank's notices, including their contents, the Company's notices, and the consideration for the Coins as determined by the Bank constitute part of the agreement between the Company and the Bank with respect to manufacture of the Coin and its sale to the Company (hereinafter, "the Sales Agreement").
- 4.5. The general terms of this framework agreement will apply to the Sales Agreement unless explicitly determined otherwise in the Sales Agreement. In the event of any contradiction between the Bank's notices (according to paragraphs 4.1 and 4.3

hereinabove) and the Company's confirmations (according to paragraphs 4.2 and 4.4 hereinabove), the Bank's notices shall prevail.

5. Manufacture and delivery of the Coins to the Company

- 5.1. The Company acknowledges that the Bank does not manufacture the Coins by itself, but instead orders them from other suppliers in or outside Israel, at its election and sole discretion (hereinafter, "the Suppliers"). The Company also acknowledges that the Bank's policy is to have the Coins minted, as far as possible, by leading mints overseas that have been approved by the Bank.
- 5.2. The Bank will take reasonable steps to ensure the manufacture of the Coins that were ordered and their delivery to the Company in the Bank's Jerusalem offices (hereinafter, "the Bank's Offices") pursuant to the provisions of paragraph 4.3 hereinabove.
- 5.3. If the Company sustains direct damage as a result of the breach by any Supplier of its obligations toward the Bank, which is not the result of a force majeure, and the Company proved the damage to the Bank's satisfaction, the Bank will take reasonable steps to obtain damages from said Supplier and will transfer to the Company the compensation it receives, after deducting its costs and losses. The Company undertakes to refrain from suing any Supplier of the Bank directly.
- 5.4. Until the end of the third quarter of each calendar year, the Company will deliver to the Bank a written request listing the additional quantities that it requests of each edition of each Coin permitted for marketing, and of each Coin planned to be issued in the consecutive year for marketing to the public (hereinafter, "Annual Request to Order Coins"). It is clarified that all Annual Requests to Order Coins will be stated in tranches of no fewer than 200 Coins for each silver coin, and in tranches of 100 Coins for each gold coin, until the order reaches the maximum issue quantity approved by the Bank (as stated in paragraph 4.1 hereinabove). The Bank will make an effort to fill the Company's Annual Request to Order Coins. If the demand for the Coins, as the Bank is informed by the various marketers, exceeds the quantity issued by the Bank, for each coin and/or edition, each marketer will receive a relative share of the quantity effectively issued by the Bank.
- 5.5. The Company may make an additional coin order to receive additional Coins throughout the year, in such tranches and on such terms as stated in paragraph 5.4 hereinabove, although the Company acknowledges that the Bank's responsiveness to such request is contingent on the abilities of the Bank and the Suppliers to accede to the request.
- 5.6. In the final calendar year of the agreement, the Bank may, for any cause, refuse to accede to the Company's request to receive additional quantities of Coins.
- 5.7. For the purpose of manufacturing the Coins, the Bank will instruct the Suppliers to purchase mirror-finish first-quality banks for striking proof-quality coins only, at silver and/or gold market prices.
- 5.8. Metal prices will be calculated according to the Bank's agreements with the Supplier, based on the weight of the precious metal contained in the Coins received, and the official prices of metals on the LME (cash prices) on the purchase date. The Bank will take reasonable measures to purchase the metals, through the Suppliers, at

market prices on the purchase date, but has no obligation toward the Company to obtain any specific price.

- 5.9. The Coins will be delivered to the Company at the Bank's offices, provided that the Company made all the payments required to be paid prior to the delivery date. The Company acknowledges that the expected time from the receipt of the Company's Request to Order Coins to the delivery date of said coins to the Company at the Bank's Office is five months.
- 5.10. At the time of delivery of the Coins, the Company will inspect the Coins in the Bank's Office and will confirm in writing that all the Coins delivered to it are intact and suitable for sale by the Company.
- 5.11. If the Bank determines, at its discretion, that significant flaws were found in the inspection of the Coins, the Coins will remain in the Bank's possession. It is clarified that the Company will not pay for these Coins, as stated in this framework agreement.
- 5.12. Until the full settlement of all the payments for the Coins, to the Bank's full satisfaction, the Bank retains ownership of the Coins.

6. Cost of the Coins

- 6.1. The Company will pay the Bank the cost of the Coins that it received from the Bank, according to the agreement (hereinafter, "the Cost of the Coins"). If the Bank is requested to do so, the Bank will give the Company an itemized bill of the Cost of the Coins and copies of the bills that it received from the Supplier, and the Company may request such an itemized bill. For this purpose, the term "Cost of the Coins" includes the following elements:
 - 6.1.1. The face value of the Coins that the Company received for marketing;
 - 6.1.2. The cost of the metal of the Coins that the Company received for marketing, which was purchased by the Supplier at the order of the Bank for the purpose of manufacturing the Coins (in other words, the actual price that the Bank paid to the Supplier for the metal);
 - 6.1.3. The manufacturing cost of the Coins that the Company received for marketing, which includes, among other things, the relative share of the Coins in all the payments made to artists, suppliers, lenders, transportation, secured storage, security guards, insurers, customs, taxes and all other levies imposed on the importation and sale of the Coins including VAT, and all other expenses paid by the Bank related to the manufacture, transportation, storage, and delivery of the Coins;
- 6.2. The Company will pay the Bank and the Ministry of Finance an additional payment equal to 4% of the Cost of the Coins, detailed in paragraphs 6.1.1 through 6.1.3 hereinabove. The Cost of the Coins plus this cost constitute the total cost of purchasing the Coins from the Bank (hereinafter, "the Consideration for the Coins").
- 6.3. If the Bank notifies the Company that it will deliver only a portion of the quantity of Coins that the Company requested, the Consideration for the Coins to be delivered will be calculated for the delivered quantity only.
- 6.4. All the aforementioned payments that the Company makes to the Bank will be in new Israeli shekels. If the Bank bore any payments in foreign currency, the Company

will pay the Bank the payments it made according to their value in new Israeli shekels, calculated according to the representative exchange rate most recently published by the Bank before the Bank's date of payment. If the payments were made in a currency in respect of which the Bank does not publish a representative exchange rate, the value of the currency will be calculated according to the closing rate of that currency against the US dollar, on the Bloomberg system, most recently published before the Bank's date of payment, and the amount calculated will be then converted into new Israeli shekels according to the above procedure.

- 6.5. The Company will pay the Bank all payments that it owes the Bank no later than fourteen (14) days from presentation of a payment request by the Bank, but in any case the Company will pay the entire Consideration for the Coins delivered to it before the delivery thereof.
- 6.6. If the Company is late in making any payment according to the agreement, linkage and interest differences, as defined in Section 1 of the Interest and Linkage Adjudication Law 5721-1961, will be added to the payment amount. It is hereby clarified that in the event of a Company's delay in making a payment that the Bank bore in foreign currency, the amount will be converted into shekels as stated in paragraph 6.3 hereinabove according to the exchange rates stated therein, and will bear linkage and interest differences as stated in that paragraph, from that day onward.
- 6.7. In addition to the provisions hereinabove, the Bank may instruct the Company to pay the Consideration for the Coins or any part thereof directly to any of the parties noted in paragraphs 6.1.2 and 6.1.3 that bore part of the cost of issuing said Coins, based on a bill to be transferred directly to the Company and in the foreign currency in which it is denoted. The Company will pay said payments within seven (7) days from the Bank's instruction; If the Company fails to pay said payment in full in a timely manner, the Bank will make the payment and charge the Company for the payment, as stated above.

7. Publication of Final Quantities

- 7.1. The Bank may determine, at least three (3) years after the delivery of the first coin of each issue, after consulting with the Company, or earlier, at the Company's request and with the Bank's consent, the final quantities of the issue. For this purpose, final quantities are the total number of all Coins sold to the public and to the Bank and the Coins retained by the Company (it is clarified that the final quantities do not include coins that were submitted for destruction)(hereinafter, "the Final Quantities"). It is clarified that the Coins remaining in the Company's possession in excess of the Final Quantities will not be marketed to the public under any circumstances.
- 7.2. The Company will return any Coins in excess of the Final Quantities to the Bank no later than two weeks from the date of the Bank's demand, and the provisions of paragraph 8 hereinafter will apply to these Coins.
- 7.3. The Bank will make a public announcement of the Final Quantities of Coins.

8. Destruction of Coins at the end of the marketing period

If the Bank notifies the Company of the end of the marketing period, as stated in paragraph 7.1 hereinabove, the Company may re-sell to the Bank the Coins remaining in its possession, for the purpose of their destruction. The following rules apply to such re-sales:

- 8.1. The Bank will destroy the Coins and return the metals to the Company, accompanied by a written confirmation of their destruction. The Bank will charge the Company for the costs of the destruction of the Coins.
- 8.2. Within fourteen (14) days of the destruction date, the Bank will pay the Company the face value of the Coins, after deducting the Bank's costs in respect of their destruction, which was performed as stated in paragraph 8.1.
- 8.3. If the Company expresses its willingness, the Bank may, at its sole discretion, authorize the Company to destroy the Coins remaining in the Company's possession, either independently or through any party acting on its behalf that has been approved by the Bank in advance and in writing.

9. Additional issues

No additional issue of issued Coins is permitted beyond the Final Quantities published by the Bank pursuant to the provisions of paragraph 7.3 hereinabove.

10. Numismatic items and other currency-related collectors' items

- 10.1. The Bank may decide, at its sole and absolute discretion, to issue to the public other numismatic items that are legal tender in Israel, and decide on the details of each such issue. The Bank may, at its sole and absolute discretion, assign the marketing of said numismatic items to the Company, subject to the conditions of paragraph 3.5 hereinabove and subject to signing a specific sales agreement between the Bank and the Company in respect of these items.
- 10.2. The Bank may decide, at its sole and absolute discretion, to issue to the public other currency-related collectors' items that are legal tender in Israel, and decide on the details of each such issue. The Bank may, at its sole and absolute discretion, assign the marketing of said collectors' items to the Company, subject to the conditions of paragraph 3.5 hereinabove and subject to signing a specific sales agreement between the Bank and the Company in respect of these items.
- 10.3. Without derogating from the Bank's powers under paragraphs 10.1 and 10.2 hereinabove, the Company may offer the Bank topics for issuing additional numismatic items that are legal tender in Israel and additional currency-related collectors' items. The Company's proposal will be as detailed as possible. It is clarified that the Bank is not obligated to accept the Company's proposals.
- 10.4. Issues of the additional numismatic collectors' items are subject to all the provisions of this agreement and the provisions of the specific sales agreements to be signed for marketing thereof. The specific sales agreement will also define, among other things, the cost of the items to the Company and the consideration that the Company is obligated to pay for the items to the Bank and the Ministry of Finance.
- 10.5. To remove all doubt, the Bank is under no obligation to issue a minimum number of additional numismatic or collectors' items, or make any issue thereof.

11. Marketing Coins by the Company

- 11.1. The Company undertakes to market the Coins in Israel and overseas, ensure respectful treatment of the Coins and the Bank, with the aim of distributing the Coins on a scale that is proper and fitting, in Israel and around the world, pursuant to the provisions of the Law and the requirements of the Bank, including the Coins' consumer price.
- 11.2. The Company may publish and sell the Coins on any medium that is proper and fitting for the advertisement of coins, including through a dedicated website.
- 11.3. The Company may also market and sell the Coins through the Company's stores in and/or outside Israel. If, in these stores, the Company also markets additional items that are not issued by the Bank, the Company will ensure a clear and complete separation between these items and the items that the Company markets on behalf of the Bank under this agreement, in a manner that is satisfactory to the Bank.
- 11.4. The Company may also market and sell the Coins by signing collaboration agreements with sub-distributors and international distributors, subject to the provisions of paragraph 28 hereinafter. The Coins sold through these distributors will be part of the Final Quantities published by the Bank.
- 11.5. The Company may also market and sell the Coins by participating in trade shows, exhibitions, and leading international competitions in which it participates. Marketing of the Coins in such manner is subject to the written approval of the Bank obtained in advance.
- 11.6. In all the Company's advertisements designed for the marketing of the Coins, the Company will note that the Coins are issued by the Bank.
- 11.7. The Company may publish an advance notice, including in a newsletter to subscribers and/or notification to subscribers, containing details about a future coin issue, but only after the Company has received the Bank's approval to do so, in advance and in writing. All such publications will note that the issue of the coin is pending statutory approvals.
- 11.8. The Company will not commence marketing, advertising or selling Coins without written affirmation by the Bank that the Coin has been published in Reshumot and is legal tender.
- 11.9. The Company will ensure that its various publications concerning the Coins, the packaging, and other means of sales promotion and marketing of the Coins, the numismatic items, and other currency-related collectors' items are respectful of the Coins and the Bank, and comply with the provisions of the Law and the requirements of the Bank.
- 11.10. The Company undertakes to offer for sale all the Coins, numismatic items, and other currency-related collectors' items that the Bank decides to market to the public. The Company's refusal to market Coins, numismatic items, or other currency-related collectors' items as per the Bank's demands, constitutes a fundamental breach and grounds to terminate the agreement and cause the forfeiture of the guarantee (defined in paragraph 20 hereinafter) either in entirety or in part.

12. The Company's obligations

- 12.1. The Company undertakes to perform its obligations pursuant to the requirements of all laws, pursuant to the additional agreements with the Bank to which it is a party, and pursuant to the provisions of this agreement.
- 12.2. In respect of any delay in the Company's payment to the Bank, the Company will pay linkage and arrears interest differences at a rate determined by the Accountant General, from the designated date of payment to the effective date of payment.
- 12.3. The Company agrees and undertakes that any delay in payment of more than 30 days will be deemed a fundamental breach of the terms of the agreement, which entitles the Bank and the Ministry of Finance (severally and jointly) to terminate this agreement and the marketing approval, at the sole discretion of each of these two entities.
- 12.4. The Company will cooperate fully with audits performed on behalf of the Ministry of Finance and/or the Bank, and on behalf of any professional entity appointed by either of them for the purpose of checking the payments to the Bank in respect of each agreement period. Any breach of this paragraph constitutes a fundamental breach and grounds to terminate the agreement and to cause the forfeiture of the guarantee (defined in paragraph 20 hereinafter), in entirety or in part.
- 12.5. The Company declares and confirms that it possesses all the permits and licenses required to perform its obligations under this agreement, and the Company undertakes to comply with the provisions of all laws or any competent authority with regards to the performance of its obligations under this agreement.
- 12.6. The Company declares and confirms that it will satisfy, throughout the entire agreement period, all the threshold conditions defined by the Bank and the Ministry of Finance for a marketing approval of the Coins, as required for the purpose of performing its obligations under this agreement.
- 12.7. The Company will maintain continuous contact with the director of the Coin Department of the Bank and/or any other Bank employee authorized for this purpose, and will work with him or her in full coordination.
- 12.8. The Company undertakes to act, while marketing the Coins and performing the Work in general, loyally and with an intention to increase the quantity of the marketed Coins, and will devote its best efforts to this goal and refrain from any action designed to artificially inflate their prices including by postponing sales, and will refrain from any other action of a speculative nature.
- 12.9. If and to the extent that other marketers operate alongside the Company, the Company will refrain from coordinating with them any decision related to marketing or prices or other issues related to their operations as marketers of the Coins.

13. Reporting and control

- 13.1. The Company undertakes to allow the Bank and the Ministry of Finance (jointly and severally) to conduct accounting and other audits in the Company. which may include inspections of any manufacturing processes assigned to the Company, or any other relevant process, either independently or through representatives, and the Company will furnish documents or any other relevant information required by the Bank.

- 13.2. The Company undertakes to furnish to the Bank, upon the Bank's demand, its financial statements and various ongoing statements, including reports and statements concerning the sale of the Coins and payments transferred to the Bank under the marketing approval. The Company further undertakes to furnish to the Bank all other relevant information that it requests, including information concerning the Company's satisfaction of the threshold conditions required to market the Coins, and information concerning the Company's structure of ownership and control and the identity of its controlling shareholders. To remove all doubt, this paragraph does not detract from the provisions of paragraph 17.8 hereinafter, which apply to information furnished under this sub-paragraph.
- 13.3. The Company undertakes to furnish to the Bank, once every calendar year, no later than the end of the first quarter of the following year, a quantitative summary report, signed by the relevant director of the Company and its accountant, of the total purchases of Coins to customers in the preceding year. The Company's report will include the following fields, at least: name of customer/buyer, email of customer/buyer, customer/buyer's address or requested location of delivery of the Coins, details of the Coins purchased in the preceding year (of each type) including the name of the Coins purchased, the date of each purchase, the type of Coins purchased, the catalogue number of each Coin type, and the quantity of Coins of each type purchased.
- 13.4. To remove all doubt it is clarified that any information furnished to the Bank under paragraph 13.3 hereinabove will be the property of the Bank, and the Bank may use said information for any purpose, including in any future proceeding to select marketers for coins that it issues.

14. Liability

- 14.1. The Company has exclusive liability toward the Bank for the performance, quality, and standard of the Work.
- 14.2. Without derogating from its liability under the law, the Company is liable for any damage or loss of any type or kind incurred by the Company, the Bank, and/or any individual and/or the property thereof, as a result of the performance of the Work or all its obligations under this agreement, or by law, or related to them, where the injured party is entitled to compensation in respect thereof by law. The Company will take all the necessary measures to prevent such damage.
- 14.3. The Company is legally liable for any professional act or omission, error, or fault in respect of any action performed by it and/or by its representative, in connection with the performance of the Work that is the subject of this agreement.
- 14.4. To remove all doubt it is hereby clarified that the Company is liable for any injury to body or damage to property of any kind or type caused to its employees and/or any party acting on its behalf in connection with the agreement.
- 14.5. The Parties expressly agree and declare that the Bank has no liability of any kind or type toward the Company for any damage of any kind or type incurred by the Company, including, without derogating from the generality of the above, indirect and consequential damage, excluding direct damage intentionally caused by the Bank.

- 14.6. Without derogating from the provisions above, the Company will do everything in its power and take all the necessary steps to prevent such damage.
- 14.7. The Company will compensate and indemnify the Bank and its representatives within fourteen (14) days from receipt of the Bank's first demand in writing on this matter, in respect of any indebtedness arising from the Company's liability pursuant to the provisions of paragraphs 14.1-14.3 hereinabove, and in respect of any amount awarded in a final ruling against the Bank in connection with any damage or loss that is charged to the Bank (including under a settlement arrangement, provided that the Company gives its consent to any such settlement arrangement), including amounts expended by the Bank for defending against its alleged liability for any such damage or loss, and provided that the Bank (a) informs the Company, as soon as possible of any complaint and/or demand received in respect of any such damage or loss; (b) allows the Company to manage a defense against any complaint and/or demand in respect of any such damage or loss, based on the principles of law.

15. Insurance

- 15.1. To secure the Company's aforesaid liability, and without derogating from its obligations and liabilities, the Company undertakes to have issued and maintain and its expense appropriate insurance policies against its aforesaid liability, at its discretion, throughout the entire agreement period and as long as the Company is legally liable for the Work, provided that these policies are not more restrictive than the insurance policies and terms set forth in the Certificate of Insurance Form, Appendix B, which constitutes an integral part of this agreement (hereinafter, "Certificate of Insurance").
- 15.2. On the signing date of this agreement, and as a condition precedent for its effect, and on every anniversary of the signing of this agreement, the Company will furnish to the Bank a Certificate of Insurance signed by the Company's authorized insurers in Israel. Failure to furnish a signed Certificate of Insurance in a timely manner constitutes a fundamental breach of this agreement and grounds for its termination.
- 15.3. The issue of and/or modifications to the insurance policies and the submission of the insurance policies and/or certificate of insurance to the Bank do not constitute confirmation by the Bank that the insurance policies are adequate, and do not impose any liability on the Bank in this respect and/or do not limit the Company's liabilities under this agreement or by law.
- 15.4. The Company alone is liable for payment of the insurance premiums and will bear the co-payments set forth in the insurance policies.
- 15.5. The Company alone is liable for any damage that would have been insured in the absence of any act or omission by the Company and/or its representatives, including contractors who performance the services, sub-contractors and their employees, which reduced, either in entirety or in part, the insurance benefits payable in respect of said damages. It is clarified that the Company is liable for any uninsured damage, including damage that is less than the amount of the copayment set forth in the insurance policies.
- 15.6. The Company undertakes to strictly comply with all the terms of the insurance policies, and without derogating from the generality of the above, to comply with all

the safety and precautionary requirements noted in the insurance policies, and with the Bank's demand to perform any action to file a claim against the insurance policies when necessary.

- 15.7. If the Company violated the provisions of the policies in a manner that invalidates the Bank's rights, the Company will be exclusively liable for the damage in full, and will have no grounds for any claim against the Bank for any monetary and/or other damage sustained as a result.

16. Period of the agreement and suspension

- 16.1. The agreement period for the performance of the Work that is the subject of this agreement commences on the signing date of the agreement, pursuant to and subject to the Company's appointment as a marketer of the Coins by the Minister of Finance, with the consent of the Governor of the Bank.
- 16.2. The Parties may, for any cause and with no preliminary conditions, notify of the termination of the agreement and/or revocation of the Marketing Approval by written notice delivered twelve (12) months in advance.
- 16.3. Notwithstanding the provisions of paragraphs 16.1 and 6.2 hereinabove, if the Bank observes, at its discretion, that the Company is not performing the Work at the required standard and in a timely manner, no longer meets the threshold conditions for marketing the Coins, or is likely not to meet the Bank's quality requirements and/or schedule, the Bank may, by written notice delivered to the Company thirty (30) days in advance, suspend the performance of the Work, and assign the performance of the Work to another party temporarily and/or perform the Work independently and/or terminate the agreement in entirety, unless the Company rectifies the breach to the Bank's complete satisfaction within the period of time defined in said advance notice. The Company will assist the Bank in performing the provisions of this paragraph and will bear all excess expenses incurred by the Bank as a result.
- 16.4. If the Company commits a fundamental breach of any of its obligation defined in this agreement, the Bank may give written notice to the Company of the termination of the agreement and revocation of the Marketing Approval. Revocation of the Marketing Approval will come into effect within thirty (30) days from the date of the Bank's said notice (or within a shorter period, if such is necessary to prevent tangible damage to the Bank or to the Ministry of Finance).
- 16.5. Nothing in this paragraph detracts from the Bank's rights under this agreement and/or by law.
- 16.6. If the Ministry of Finance, for any cause, announces the revocation of the approval he or she granted to market the Coins by the Company, this agreement will be terminated simultaneously with the revocation of the approval.

17. Confidentiality

- 17.1. An obligation of confidentiality applies to the Company and its employees, and the Company undertakes to retain in confidence and refrain from transferring, notifying, conveying, or information any other individual or body of individuals any information of which it learns in connection with and/or in the course of the

performance of its obligations under this Agreement. The Company's attention is directed to sections 91 and 118 of the Penal Law 5737-1977, concerning the prohibition and penalty of conveying official information by a contracting party with a regulated entity, as defined in the State Comptroller Law 5718-1958, and the provisions of the Bank of Israel Law on this matter.

- 17.2. The Company undertakes to inform its employees of this obligation of confidentiality and the penalty for failure to protect confidentiality.
- 17.3. The Company undertakes to sign itself and to have all its employees engaged in the performance of the Work for the Bank under this agreement sign a non-disclosure agreement in the format marked Appendix A and attached to this agreement. It is hereby expressly clarified that any employee who does not sign the non-disclosure agreement will not be permitted to work on behalf of the Company in the performance of the Work contemplated in this agreement.
- 17.4. The Company undertakes to retain all the documents, data, and the plans related to the performance of the Work in an appropriate and secure location, and to do everything necessary to ensure that documents or plans connected with the performance of the Work and/or the Bank do not come into the possession of any unauthorized person.
- 17.5. The Company undertakes to retain in confidence any datum or information that comes in its possession from the Bank in the course of performing this agreement. Such information shall not be transferred to entity that was not approved by the Bank and all such data and information shall not be made known to any entity in any manner. The Company undertakes to take all measures to protect said information and prevent the transfer thereof to any third party. Therefore, the Company undertakes, among other things, to lead or to receive and retain (as the case may be) the information that is conveyed to it by the Bank in a closed and locked place, and to the activation of internal control procedures to ensure the confidentiality of said information.
- 17.6. It is hereby clarified that the Bank attributes significant importance to the above, among other things, due to the Bank owing an obligation of confidentiality toward various entities that lawfully convey information to it.
- 17.7. The Company undertakes not to make any public use of the Bank's name or its engagement without the Bank's written approval in advance.
- 17.8. The Bank undertakes to maintain in confidence the information received from the Company and its operations, subject to the principles and provisions of any law. If the Bank believes that it is obligated to disclose such information to any entity, the Bank will inform the Company of the same in writing 21 days in advance.

18. List of subscribers

- 18.1. After the signing of the agreement, and the Company's appointment as marketer of the Coins by the Minister of Finance, with the consent of the Governor of the Bank, the Bank will transfer to the Company a copy of a list of customers who purchased Coins, as such list was delivered to it by the previous Coin marketer (hereinafter, "List of Subscribers"). The List of Subscribers will be the property of the Bank, and

the Company will be given the right to make non-exclusive use thereof, only during the period of the agreement.

- 18.2. After receiving the List from the Bank, the Company undertakes to take steps to register the List as a database and manage it in conformance with and subject to the provisions of the Protection of Privacy Law 5741-1981.
- 18.3. At the end of each calendar year in the agreement period and at the conclusion of the engagement (for any cause), the Company will transfer to the Bank, at no cost, detailed information of all the customers and sub-distributors, as defined hereinafter, who purchased Coins from the Company in the course of the preceding year. The detailed information conveyed by the Company to the Bank will include at least the following details: the Customer's name (first and surnames), the Customer's contact information as known to the Company (including telephone number, mail delivery address and email address) and a list of all the Customer's purchases in the preceding year. Said information will be the Bank's property. Any failure by the Company to convey the aforementioned detailed information constitutes a fundamental breach of this agreement.
- 18.4. At the end of the agreement period or in any other event of termination of the agreement for any cause, the Bank may use the information that it received according to paragraph 18.3 hereinabove for its needs and at its sole discretion, and the Bank may permit the use thereof by any third party that receives a right to market the Coins.
- 18.5. All the Company's obligations under this paragraph shall be performed by it without any additional payment.

19. Termination of the agreement and treatment of remaining Coins

If the agreement with the Company is terminated for any of the causes set forth in this agreement and/or the agreement elapses and/or the Marketing Approval granted to the Company is revoked, the Company will take the following steps:

- 19.1. The Company will return to the Bank, at the Bank's written demand, all the Coins remaining in its possession and/or the possession of any representative of the Company and/or Coins transferred from the Company to sub-distributors as stated in paragraph 28 hereinafter (hereinafter, "the Remaining Coins").
- 19.2. The Remaining Coins will be returned by secured transportation to the Bank's offices within fourteen (14) days of receiving the Bank's written demand, unless the Bank instructs otherwise.
- 19.3. When returning the Remaining Coins to the Bank, the Bank will refund to the Company only the value of the metal and the face value of the Coins (which in no case will exceed the market price of the Coins), after deducting any debt that the Company owes the Bank.

The value of the metal will be calculated on the basis of the weight of the precious metals in the Coins returned to the Bank by the Company, based on LME fixing commodity prices (cash official) on the date the Coins are returned to the Bank. Payment will be transferred to the Company only after the Remaining Coins have been delivered to the full ownership of the Bank.

- 19.4. In the event that the Company performed a portion of the issuing work, the Company will return to the Bank all the tools and/or items that it used in issuing the Coins, which are in its possession or the possession of any third party operating on its behalf (hereinafter, "the Manufacturing Aids").
- 19.5. The Manufacturing Aids will be return to the Bank, by secure transport, within fourteen (14) days from the receipt of the Bank's written demand, unless the Bank instructs otherwise.
- 19.6. The Company will transfer the current List of Subscribers to the Bank, at no cost, according to the Bank's instructions, as stated in paragraph 18.3 hereinabove.
- 19.7. All the Company' obligations under this paragraph will be performed by the Company for no additional payment.

20. Guarantee

- 20.1. On the signing date of this agreement and as a condition precedent for the entry into force of this agreement, and on every anniversary of the signing of this agreement, the Company will deliver to the bank an autonomous, unconditional bank guarantee in favor of the Ministry of Finance and the Bank issued by an Israeli bank, to secure the performance of the Company's obligations under this agreement in full, including payment of the consideration. The guarantee will be in the sum of NIS 100,000, indexed to the CPI (general), from the CPI known on the signing date of the agreement, and in the format of the guarantee attached hereto and marked Appendix C ("the Guarantee").
- 20.2. The Guarantee will remain in effect during the entire agreement period and for three (3) months after the end of the agreement period. The Bank may request of the Company to extend the Guarantee, at the original guarantee terms, until any date as it so determines, and the Company will comply with this demand.

21. Forfeiture of the Guarantee

- 21.1. The Bank may cause the forfeiture of the Guarantee and/or the Guarantee stated in paragraph 20 hereinabove (hereinafter, "the Guarantee"), either in entirety or in part, after giving written notice to the Company seven (7) days in advance, if any one of the following events obtains:
 - 21.1.1. To collect the amounts due to the Bank under paragraphs 6, 8, 10, 12, 14, 16, and 19 hereinabove, or to collect the liquidated damages according to paragraph 23 hereinafter.
 - 21.1.2. To collect expenses and damage caused to the Bank as a result of the Company's failure to meet its obligations under the terms of the agreement and/or in the event that any one of the events defined in paragraph 23 hereinafter obtains, including for the purpose of performing and securing the performance of all the Company's obligations in connection with the performance of the Work.
 - 21.1.3. In the event that no new Guarantee is furnished, if the Bank decides to cause the forfeiture of the Guarantee, in entirety or in part.
 - 21.1.4. In any other event of a breach of the terms of the agreement by the Company.

- 21.2. In any event in which the Bank causes forfeiture of the Guarantee in respect of the Company's failure to perform its obligations under this agreement, the Company undertakes to furnish to the Bank, within seven (7) days from the forfeiture date, a new guarantee in the amount of the guarantee so forfeited.
- 21.3. Forfeiture of the Guarantee will not release the Company from the performance of its obligations under this agreement, unless the Bank informs it otherwise, expressly and in writing.
- 21.4. In the event that the agreement period ends and a claim is pending against the Company in connection with the performance of the Work under this agreement, the Guarantee will not be returned to the Company as long as the Company does not give other collateral, to the Bank's satisfaction, for payment of any charge that may be imposed on it. If the Company fails to furnish said collateral, the Bank will cause the Guarantee to be forfeited and the funds will be retained by the Bank until the final ruling on that dispute.

22. Lack of employer-employee relations

- 22.1. The Company serves as an independent contractor in performing this agreement, and no employment or agency relations of any type of kind obtain between the Company and the Bank. All rights granted to the Bank under this agreement to oversee, guide, or instruct the Company or anyone employed by the Company or representing it, shall be deemed only as means designed to ensure the performance of the provisions of this agreement in full. There **are not now and will not be in the future** any employee-employer relations between the Company and/or any employee of the Company and/or anyone acting on its behalf, and the Bank.
- 22.2. The Company declares and acknowledges that it alone has the duty, and it undertakes, with respect to all its employees, to comply with everything stated in the labor laws and/or all other laws that confer social benefits and rights upon its employees, and all the provisions of collective labor agreements and/or extension orders, that are now and/or will be in the future in effect regarding the Company and/or its employees. The Company undertakes to fulfill its obligations toward the employees, as stated above, and especially, without derogating from the generality of the above, to fulfill its obligations under the Minimum Wages Law 5747-1987 and the regulations enacted under it. Any breach of this paragraph constitutes a fundamental breach of the agreement.
- 22.3. The Company's employees will be under the Company's exclusive supervision, oversight, review, and responsibility. The Company will bear and independently pay, at its expense, the salaries of its employees and the individuals engaged by it, and all required payments, funds, and related expenses, including income tax, National Insurance, health tax, and other payments as required by any law and as is generally accepted in this field.
- 22.4. Without derogating from the generality of the aforementioned, the Company shall indemnify the Bank, fully and immediately, in respect of any expenditure caused to the Bank, if it will be established by an authorized court, in complete opposition to the details of this Agreement, that there were employer-employee relationships between the Bank and the Company or one of his employees or that the Bank is obligated for any payment whatsoever to the Company's employees.

23. Fundamental terms and liquidated damages

- 23.1. It is agreed that paragraphs 4, 5.4, 5.5, 6, 7.1, 7.2, 8.1, 11, 12, 13, 14, 15, 17, 18.3, 18.4, 19, 20, 21.2, and 28 of this agreement are fundamental and material terms of this agreement, and any breach thereof will be deemed a fundamental breach that entitles the Bank to liquidated damages in the amount of NIS 100,000, indexed to the CPI (general), from the known CPI on the signing of this agreement to the CPI known on effective payment date to the Bank, without derogating from the Bank's right to any other remedy and relief available under law.
- 23.2. The aforesaid amount of liquidated damages is assessed in advance by the Parties as the amount that reflects the minimum damage caused to the Bank as a result of the breach of the terms of this agreement, and is not dependent on proving damage. This amount may be deducted from any amount due to the Company from the Bank, and the Bank may cause the forfeiture of the Guarantee and also collect the amount of liquidated damages.
- 23.3. Payment of the aforementioned damages or deductions from the sums due to the Company will not release the Company from its obligations under this agreement.
- 23.4. Without derogating from the above, if the Company commits a fundamental breach of the agreement, the Bank will, in addition to the liquidated damages, be entitled to all remedies and relief under the Contract Law (Remedies for Breach of Contract) 5731-1970 and all law.

24. Breaches

- 24.1. Without derogating from any provision elsewhere in this agreement, the following events will be deemed a breach of the agreement and will entitle the Bank, after giving written warning to the Company fourteen (14) in advance, to all the rights conferred to it according to this agreement and by all law in the event of a fundamental breach:
 - 24.1.1. If a provisional or permanent lien is imposed or any action or execution of any action involving the Company's assets was conducted, either in entirety or on a material portion thereof, and said lien or action is not revoked or removed in entirety within 45 days from the date of execution thereof.
 - 24.1.2. If a liquidator, trustee, or receiver is appointed on the Company's assets and/or business or on any portion thereof, or if any motion for appointment of the same is filed, and the appointment or motion are not dismissed within 45 days,
 - 24.1.3. If a bankruptcy warning was filed against the Company or an order of receivership issued against its assets, either in entirety or in part, or if the Company adopted a resolution on liquidation, or if the Company reached a compromise settlement with its creditors, and said action or resolution was not dismissed or removed in entirety within 45 days.
 - 24.1.4. The Company is in financial straits that place its economic stability in doubt.
 - 24.1.5. Marketing the Coins by the Company was not made in a manner appropriate for the marketing of coins that are legal tender in the State of Israel, including disrespect for the Coins and the Bank.

- 24.1.6. The Company failed to meet its obligations to pay the consideration to the Bank and to the Ministry of Finance as defined in this agreement.
- 24.1.7. The Ministry of Finance revokes the Company's Marketing Approval, for any cause.
- 24.1.8. The Bank warned the Company that it is not performing the Work in a satisfactory manner and the Company did not take steps that, in the Bank's opinion, ensure rectification of the situation.
- 24.1.9. It has been proven, to the Bank's satisfaction, that the Company discontinued the performance of the agreement.
- 24.1.10. The Company failed to furnish guarantees, as required by this agreement, to the Bank.
- 24.1.11. The Company committed any breach of its obligations toward the Bank other than a fundamental obligation, and failed to rectify the breach within seven (7) days from the Bank's demand to do so.
- 24.1.12. If it emerges that any declaration that the Company made in connection with this agreement or with the procedure to approve the marketing application is untrue or that the Company failed to disclose a material fact that might have affected the Bank's decision to enter into an agreement with it.
- 24.1.13. Control of the Company was transferred without the Bank's approval in advance.
- 24.1.14. The Company was indicted for an offense that is a crime, an offense of moral turpitude, or a property offense, or such indictment was filed against a Company director or executive officer, or a court ruled that a Company director or executive officer breached his or her fiduciary duty or duty of caution toward the Company or toward any other company, all if said officer was not suspended from his or her position.
- 24.1.15. The Company extended its areas of operation into new areas that are not connected to its previous operations, or the Company established any subsidiaries that are in conflict with its current areas of operation, without the Bank's advance approval.

25. Set-off and indemnification

- 25.1. The Bank may set off the amounts are and/or will be due to it and/or to the Ministry of Finance from the Company according to or as a result of this agreement, from any amount that is due to the Company from the Bank, and the Company waives in advance any claim referring to said set-off.
- 25.2. Any delay or failure to perform an action that the Bank may perform according to this agreement and/or any delay or failure to exercise any right granted to the Bank according to this agreement, will not be deemed a waiver of that right unless the Bank explicitly waived said right.
- 25.3. It is hereby explicitly clarified, to remove all doubt, that the Company does not now and will not have any right to place a lien on the provision of the Services and/or any part thereof and/or any product of the Service and/or to place a lien on any document (whether generated by it or generated by the Bank).

26. Entire agreement

This agreement constitutes the entire agreement between the Parties and supersedes all other previous agreements, understandings, or arrangements between them, whether orally or in writing. No subsequent modification of this agreement will have any effect if not made in writing and signed by both Parties.

Local jurisdiction

The exclusive legal jurisdiction regarding any issue deriving from this Agreement shall be solely the Jerusalem courts. This jurisdiction is exclusive and unique and no proceeding will take place other than under the jurisdiction defined in this paragraph.

27. Prohibition on assignment of the agreement and actions through sub-distributors

27.1. The Company undertakes not to assign to any other or others its rights and/or obligations under this agreement, either in entirety or in part, and the Company will remain the marketer of the Coins throughout the entire agreement period, pursuant to the approval of the Minister of Finance and the Governor's consent.

27.2. For the purpose of the performance of this agreement, the Company may appoint sub-distributors, agents, sub-marketers and other such entities that purchase Coins to sell them to third parties (including on consignment)(hereinafter, "the Sub-Distributors"), provided that the all of following obtain:

27.2.1. The Company is satisfied that the Sub-Distributor has the appropriate credibility and specialization required to market Coins.

27.2.2. The Company notified the Bank in advance in writing about the appointment, and in its notice it provided the name of the Sub-Distributor and identifying details thereof, **and the Bank approved the agreement with the Sub-Distributor in writing in advance.**

27.2.3. The Company imposed the provisions of paragraph 14 and 17 hereinabove on the Sub-Distributor in writing, and also included a clause in the agreement with the Sub-Distributor that no contractual or other relationship exists between the Sub-Distributor and the Bank; the Company continues to have exclusive liability toward the Bank, and the appointment of the Sub-Distributor does not release the Company from any of its obligations toward the Bank and does not impose any liability on the Bank toward the Sub-Distributor or toward any third parties in respect of any act or omission committed by the Sub-Distributor.

27.2.4. The Company will furnish to the Bank a copy of each agreement that it signs with the Sub-Distributor, shortly after the signing thereof.

28. Miscellaneous

28.1. No extension, discount, waiver, or failure to take action constitutes a waiver of any of the Parties' rights under this agreement and/or by law, unless made in writing and signed by the Parties.

28.2. Any notice according to this agreement sent by registered mail will be considered to have reached its destination after the elapse of 72 hours from the time of proper dispatch by mail, to the Parties' addresses set forth in the heading to this Agreement.

And in witness thereof, the Parties have signed their hands below:

The Bank

The Company

Appendix A – Non-Disclosure Agreement for the Company and its Employees

I hereby declare and acknowledge that all the information that is now or will in the future come into my possession or the possession of my employees in the course of performing our obligations under or in connection with this agreement is confidential and I undertake to maintain the confidentiality of any such information.

I hereby declare that I have carefully read sections 91, 118, and 119 of the Penal Law 5737-1977, concerning the prohibition of and penalty for conveying official information by a party who has a contract with an regulated entity, as defined in the State Comptroller Law 5718-1958 and section 23b of the Protection of Privacy Law 5741-1981 and section 80 of the Israeli Clients Law 5770-2010.

I acknowledge their contents and am aware that these sections pertain to me and are binding on me and that any failure to perform my obligations under this declaration constitute an offense under these sections.

The Bank of Israel Law

Section 80:

- (a) “No person shall disclose information supplied or present a document submitted to him under this Law; however, he may do so if the Governor deems this necessary for the purpose of a criminal proceeding, including for a criminal investigation.
- (b) The provisions of Subsection (a) notwithstanding, the Governor may disclose information or show a document to a regulatory authority, provided he is apprised that the information or document is requested for the discharge of the Supervisory Authority’s duties.
- (c) No person shall disclose information supplied or show a document submitted to him under the provisions of Subsection (b).”

Penal Law

Section 91:

“In this Chapter... information—includes information that is not correct, and any description, plan, password, symbol, formula, object or part thereof that contain information or that may serve as a source of the information;

Delivery—includes delivery by means of marking or signaling, and including causing delivery.

Reference to the commission of an act with a particular intention means an action or omission with the same intention without lawful authority.”

Section 118:

“(a) Should a person be a party to a contract with the State or with a Supervised Entity as defined in the State Comptroller Law, 5718–1958 (Combined Version), and the contract contains an undertaking to maintain the confidentiality of information he receives in the execution of the contract, and he delivered that information without lawful authority to a person not authorized to receive it, he is liable to imprisonment of one year.

(b) In this Section, “party to a contract”—includes someone who is employed, as an employee or a contractor, to execute the contract; however, it may serve as a good defense for a defendant

pursuant to this Section that he did not know of the undertaking to keep such information confidential and that he delivered the information in good faith.”

Disclosure in breach of trust

Section 119

“Someone to whom an official document is delivered with the explicit condition that he must keep it confidential, and he delivers it to a person who is not authorized to receive it, is liable to imprisonment of one year. Should he prove negligent in maintaining the confidentiality or commit an act that may endanger the security of the document, he is liable to imprisonment of six months.”

Protection of Privacy Law

Section 23B:

(a) Providing information from a public institution is forbidden, unless the information has been widely published under lawful authority, or if the person to whom the information relates has given his agreement to its delivery.

(b) Nothing in the provisions of this Section shall prevent a security authority as defined in Section 19 from obtaining or delivering information for the purpose of fulfilling its function, provided that the delivery or receipt is not prohibited by legislation.”

I hereby declare that in the fulfillment of my duty, I will view as confidential any item that comes to my knowledge by way of the fulfillment of the duty and which is required pursuant to any law.

Surname First name ID no. Date Signature

Signed in the presence of:

Surname First name ID no. Date Signature

Appendix B – Certificate of Insurance

Date: _____

Att:

Bank of Israel and Ministry of Finance

Kiryat Ben Gurion

Jerusalem

Re: **Certificate of Insurance based on agreement by and between the Bank and the Company dated** _____

We hereby affirm that we have issued the following insurance covers to our insured _____ (hereinafter, “the Company”) for the insurance period from _____ to _____ in connection with marketing of commemorative coins, special coins and numismatic items issued by the Bank of Israel for the Ministry of Finance and the Bank of Israel, and in connection with the Company’s actions within the framework agreement with the Bank of Israel (hereinafter, “the Work”):

Employer’s Liability Insurance

1. Its legal liability toward its employees in the entire territory of the State of Israel and the occupied territories in connection with the Work.
2. Limits of liability will not be less than NIS 6,000,000 per employee and NIS 20,000,000 per event and for the insurance period.
3. The insurance is extended to cover the insured’s liability toward contractors, sub-contractors, and its employees in the event that the insured is considered their employer.
4. The insurance is extended to indemnify the State of Israel – Ministry of Finance and/or the Bank of Israel and their employees, if it is alleged that, in the matter of any work accident/ occupational illness that occurred, they bear any employer’s liability toward any of the Company’s employees and individuals employed by the Company in connection with the Work.

Third Party Liability Insurance

1. Its legal liability for third party liability insurance under the laws of the State of Israel in respect of bodily harm and property damage within the entire territory of the State of Israel and the occupied territories.
2. Limits of liability of no less than NIS 4,000,000 for each event and for the insurance period.
3. The policy includes a cross-liability clause.
4. The insurance is extended to cover damages caused as a result of loading and unloading by lifting devices of any type. Any exclusion regarding unloading and loading is cancelled.
5. The insurance is extended to cover the insured’s liability toward third parties in respect of and toward actions of contractors, sub-contractors, and their employees.
6. The insurance is extended to indemnify the State of Israel – Ministry of Finance and/or the Bank of Israel, and their employees, in respect of or in connection with any acts and/or omissions of the Company and anyone acting on their behalf in connection with the Work.

Professional liability insurance

1. Insurance covering the Company's professional liability in respect of its operations in connection with the Work.
2. The policy covers all damage from a breach of the professional obligations of the Company and its employees, and in respect of anyone acting on its behalf, which occurred as a result of any act, negligence, including omission or error, misrepresentation, negligent declaration or negligent representation, caused in connection with marketing commemorative coins, special coins and numismatic items issued by the Bank of Israel for the Ministry of Finance and the Bank of Israel, including advertising, marketing, and selling, and operating a dedicated website, in connection with the Work, the tender, and the contract with the State of Israel – Minister of Finance, Bank of Israel:
3. Limit of liability will not be less than NIS 4,000,000 per event and for the period of the insurance.
4. Coverage under this policy is extended to include the following extensions:
 - a. coverage for employee fraud and dishonesty;
 - b. slander and defamation, breach of privacy;
 - c. loss of documents, including loss and/or delay of the use thereof following an insurance event;
 - d. cross-liability; coverage does not, however, apply to claims of the service provider against the State of Israel, Ministry of Finance, Bank of Israel;
 - e. extension of the discovery period to six months.
5. The insurance under the policy is extended to indemnify the State of Israel – Ministry of Finance, Bank of Israel, in respect to or in connection with any act or omission of the Company and anyone acting on its behalf.

General

The following terms will be included in the aforementioned insurance policies:

1. The following will be added to the name of the insured as additional insured parties: **the State of Israel – Ministry of Finance, Bank of Israel, and their employees**, subject to an extension of the indemnification, as described above.
2. Any reduction or cancellation of the insurance by any Party has no effect until we gave notice at least 60 days in advance by registered letter to the Comptroller of the Ministry of Finance, to the address of the Ministry of Finance, Accountant General Division, 1 Kaplan Street, Kiryat Ben Gurion, Jerusalem; and to the Bank of Israel at the Bank's address Bank of Israel, Currency Department, 2 Kaplan Street, Kiryat Ben Gurion, Jerusalem.
3. We waive any right of subrogation/claim of recourse, complaint, participation, or recourse to the State of Israel – Ministry of Finance, the Bank of Israel, and their employees, provided that the waiver does not apply in favor of any individual who caused damage maliciously.
4. The Company has exclusive liability toward us to pay the premiums for all the policies and to fulfill all the obligations imposed on the insured under the terms of the policies.
5. Co-payments noted in each policy apply exclusively to the Company.
6. Any clause in the insurance policies that reduce or nullify the insurer's liability, in any manner, in the event that another insurance policy exists, will not be applied to the State of Israel or to the Bank of Israel and their insurers, and the insurance is deemed to be primary insurance that grants entitlement to the full rights under the insurance.

7. The terms of coverage of the aforementioned policies, with the exception of professional liability insurance, will not be less than the coverage accepted according to the terms of the BIT Model Policy.

Subject to the terms and the reservations of the original policies, insofar as they have not been expressly modified by the terms of this Certificate.

Respectfully,

Date _____

Insurer's authorized signatory and insurer's stamp

Appendix C - Guarantee

Date: _____

Att:

Bank of Israel and Ministry of Finance
Kiryat Ben Gurion
Jerusalem

Dear Sir or Madam,

Re: Letter of Guarantee

We hereby guarantee to you the sum of NIS 100,000 (one hundred new Israeli shekels), indexed to the CPI (hereinafter, "the Index"), from the Index known on _____ to the CPI known on the effective date of payment (hereinafter, "the Guarantee Amount"), to cover satisfaction of all the liabilities of _____ (hereinafter, "the Debtor") according to the framework agreement signed with it.

We will pay you the above amount within seven (7) days of your first written demand, without you having to establish or provide reasoning for your demand in any manner, and without making any defense argument against you that might be available to the Debtor in connection with the charge to you, or demand that the said amount first be discharged by the Debtor.

To remove all doubt, your demand for payment of the Guarantee Amount, and payment of the guarantee, may be executed in tranches, provided that the total of all payments does not exceed the Guarantee Amount.

This Guarantee will remain in effect until _____ and will be extended at your demand. Any demand under this guarantee must reach us in writing by said date, inclusive.

This guarantee may not be transferred or assigned.

Any demand under this guarantee should be addressed to branch _____, at the following address: _____.

Date _____ Full name _____ Signature _____

Appendix D – Document of Principles

A. General principles for granting specific licenses to a company to market the Coins

To remove all doubt, nothing stated in this document constitutes any agreement or obligation by and between the Bank and the Company, but only general principles that may be introduced into specific agreements that are signed in the future with the Company concerning specific coins or types or coins, at the sole absolute discretion of the Bank.

Following is a list of a procedures: These and other similar procedures may be assigned to be performed by the Company under the Bank's supervision, as defined from time to time, if the Company expresses willingness for such assignment and the Bank finds that the Company has the tools and capacity to perform such assignment independently:

1. Submit design proposals for the coin, for the purpose of selecting the winning design by the Committee for the Design of Banknotes, Coins and Commemorative Coins, pursuant to the Ban's instructions and requirements.
2. Finalize the winning design (after the sub-committee's consultations with the artist and staff of the currency department's issuance unit.
3. Preparation of a plaster cast in Israel or overseas - If a plaster cast is required by the requirements of the design and the quality of the mint (some mints possess appropriate laser-based equipment that obviates the need for a plaster cast in some cases).
4. Responsibility for the integrity and quality of the plaster cast.
5. Responsibility for preparation and integrity of Manufacturing Aids including a master die.
6. Holding a tender between approved mints and determining the winning mint in the event that it is decided that the Company will not manufacture [the coins] in its own mint, if any.
7. Receipt of proof coins of each edition of the Coin in all various metals.
8. Receipt of the entire minted quantity of each edition issued, at the mint's gate.
9. Release of coin shipments from the country of manufacture and shipping to Israel according to appropriate security instructions, to the safes of the Bank or the Company.
10. Return of all manufacturing aids (plaster casts, dies, blanks, etc.) to the Bank and/or destruction thereof according to the Bank's instructions.
11. Receipt of quality certificates from the manufacturing mint.
12. Destruction of coins in the Company's facilities.

B. Controls that the Bank may apply (non-exhaustive list):

1. Control over the final design
2. The Bank's approval to waive preparation of a plaster cast
3. Approval to hold a tender among mints – approval of the identity of the mints to which a call will be made, and in any case all mints will be approved by the Bank in advance in writing
4. Presentation of Samples coins to the Bank before commencing manufacture
5. Sample inspection of the total ordered quantity upon the shipment's arrival to Israel
6. Supervision over the minting process

7. Supervision over the Company's publication of maximum and final quantities
8. Supervision over destruction of coins
9. Control over Company's mailings to customers and all other marketing or other materials used to market the coins in and outside Israel
10. The Bank may:
 - 10.1. Review, at its discretion, the shipping procedures to Israel and from ports in Israel to the Company's warehouse
 - 10.2. Conduct inspections in the Company's facilities regarding storage, shipping, transportation procedures for the Coins and the Company's work procedures
 - 10.3. Inspection of the plaster cast manufactured in Israel