
TRANSLATION

**In the event of any discrepancy between this translation and the original
issued in the Hebrew language, the latter will prevail**

The logo for Phoenix General Insurance is centered on a dark blue background. It features the word "Phoenix" in white, followed by a stylized blue and white icon of a phoenix rising from its ashes, and then the words "General Insurance" in white. A thin white horizontal line is positioned below the logo.

Phoenix  General Insurance

Professional Indemnity Policy of Insurance

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Dear Insured,

Please pay attention to the policy conditions, its covers, limits as well as to the details in the schedule or its subjectivities.

In the event that you find any matter which needs to be amended, please return the policy to our offices attaching your comments.

This policy is a contract

Between the Phoenix Insurance Company Ltd. (hereinafter: "the insurer") and

Between the insured whose name is stated in the schedule (hereinafter: "the insured")

According to which the insurer undertakes, in consideration of the premium, to make indemnity payments to the insured due to insured events as detailed in the policy up to the insurer's limit of liability and in accordance with the policy conditions.

The premium, the period of insurance and the limit of liability stated in the schedule constitutes an integral part of this policy.

The policy is worded in the masculine and in any place in which the masculine is stated the same applies in the feminine in accordance with the subject matter.

Whereas the insured whose name and address are stated in the schedule attached hereto constituting an integral part of this policy and whose profession or occupation for the purpose of this insurance is solely as stated in the schedule, approached the insurer with a proposal form which serves as the basis of this insurance contract and an integral part thereof (hereinafter "the policy") whether if submitted for the purpose of this policy or for the purpose of a policy which preceded it.

This policy therefore witnesses that in consideration of the premium as stated in the schedule, the insurer will indemnify the insured in respect of the insured's legal liability as defined hereunder towards third parties due to an insured event, subject to each of the following accumulative conditions:

- A** The claim against the insured was first served against the insured and submitted to the insurer during the period of insurance.
- B** The insured event occurred during the period of insurance, or if a retroactive date is stated in the schedule - in any period which precedes the period of insurance (hereinafter the retroactive cover) however not prior to the retroactive date.
The insured will similarly indemnify the insured for all reasonable expenses incurred in the defence of a claim for compensation in respect of the insured event. If the amount of liability which is imposed on the insured is higher than the limit of liability in accordance with this policy, the insurer will be liable to indemnify the insured in respect of his expenses solely for the proportional amount being the ratio between the limit of liability in accordance with the policy and the amount of liability imposed upon the insured.

Limits of liability

- The limit of liability will not exceed:**
- A** The amount stated in the schedule as the limit of liability per claim or series of claims arising from the same insured event.
 - B** The amount stated in the schedule as the aggregate limit of liability in accordance with this policy.

Indexation: The limits of liability will alter in accordance with the ratio between the latest index published prior to the inception of the period of insurance and the latest index published prior to the lodging of a claim against the insured. The deductible will vary in accordance with the ratio between the latest index published prior to the inception date of the period of insurance and the latest index published prior to the payment of the deductible.

Definitions for the purpose of this policy

The law:	The Law of Damages (New Version).
Insured event:	A breach of professional duty which was performed in good faith whose origin is an act of negligence, neglect, error or omission on the part of the insured, as part of the profession or occupation of the insured as stated in the schedule and in respect of which the cover in accordance with this policy is provided.
Policy:	Including the schedule, the proposal form and any addendum or endorsement to the policy as attached thereto.
A claim made against the insured:	A legal action or receipt of a statement of claim or information from any source by the insured regarding the occurrence of an insured event.
Index:	The Consumer Price Index which is periodically published by the Central Bureau of Statistics, or any other official index which replaces the same even if it is published by another official entity.
Deductible:	<p>The amount stated in the schedule which the insured is required to bear out of the indemnity payments and/or amount of expenses payable by the insurer due to an insured event covered in accordance with this policy, in respect of each insured event separately.</p> <p>The deductible amount will apply in respect of external expenses which the insurer incurs during the handling of a claim and/or demand for compensation and/or notification of any event which is liable to lead to a claim and this even if no indemnity payments are made in respect thereof.</p> <p>Anything mentioned in the singular applies in the plural and vice versa. Anything stated in the masculine applies equally in the feminine and vice versa.</p>

Exclusions to the liability of the insurer

It is hereby noted and agreed that this policy does not cover the insured in respect of or in connection with any claim against him which arises directly or indirectly from any of the following:

- A Loss of documents, loss of use thereof or their delay.
- B Libel, slander, defamation, calumny of any type.
- C Breach of good faith, malicious intent, dishonesty, crime, criminal acts or omissions, criminal negligence, fraud, deceit, conscious breach of authority, abuse of trust, intentional acts by the insured or by any of the partners of the insured or the insured's managers or staff or predecessors in business.
- D Any matter or event which preceded the proposal form and which, at the time of submitting the proposal form, the insured was aware of the fact that it is liable to serve as the cause for a claim against him.
- E Loss arising from the theft of money and securities or either of them.
- F War, invasion, enemy action, hostile acts or warlike acts (whether or not if war is declared), civil war, acts of sabotage, revolt, riots, military or popular uprising, mutiny, rebellion, revolution, military rule or illegally usurped authority, military regime or state of siege or events or any causes which could bring about the declaration or existence of a military regime or a state of siege, acts of terrorism carried out by a person or persons acting on behalf of or in connection with any organization whatsoever. For the purpose of this exclusion, the term "terrorism" shall mean the use of violence for political purposes including the use of violence with the purpose of intimidating the public or a part thereof.
Any incident which can serve as the cause for a claim against the insured which occurs as a consequence of one of the aforementioned circumstances or in participation with them or in connection with them (either directly or indirectly) will be considered to be an incident which is not covered by this insurance other than if the insured proves, prima-facia, that the incident occurred independently in actuality from the matters detailed at the beginning of this sub-clause.
- G Any type of guarantee provided by the insured and any expenses arises from the same.
- H The inability of the insured to discharge his debts.

- I** The insured's activities in connection with atomic energy, ionising radiation.
- J** Strikes or lockouts.
- K** The insured's undertaking to supply, arrange or handle materials.
- L** An insured event which occurs outside of the State of Israel or a claim lodged in a legal jurisdiction outside of the State of Israel.
- M** **A** Undertaking or liability that the insured accepted upon himself in accordance with an agreement unless such undertaking or liability would have applied to the insured even in the absence of such contract.
- B** Any amount that the insured was entitled to claim from another party although is prevented from doing so in accordance with an agreement to which he is party. The insured will refund any amount paid by the insurer which the insurer could have collected in the absence of such an agreement.
- N** Damage to property in the ownership or control or supervision of the insured.
- O** The issue of any type of company prospectus.
- P** Pollution of the air and/or water and/or ground unless if caused by an accidental occurrence.
- Q** Acquired Immune Deficiency Syndrome (AIDS).
- R** The insured serving as an officer in a corporation.
- S** Expenses incurred by the insured for the repair and/or reinstatement of work carried out as well as income which the insured is required to refund to his clients.
- T** Damages to software or hardware arising from the use of the internet or similar electronic media.
- U** The erroneous use of an internet address or other address with the use of electronic media.
- V** Computer viruses or obstacles embedded in software.
- W** Breach of copyright, intellectual property, trademarks or patents.

General conditions

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| 1 Notification of an insured event | The insured is obliged to submit written notification to the insurer of any claim which is lodged against him or of any occurrence known to him which is liable to result in such a claim. |
| 2 Address for the provision of notifications | <p>Notifications to the insured
Notifications of the insurer in any manner connected to the policy shall be sent to the last address known to the insurer.</p> <p>Notifications to the insurer
Notifications of the insured to the insurer shall be submitted to the insurer at the head office address stated in the policy heading or to any other address in Israel which the insurer notifies of periodically (if at all).</p> |
| 3 Reporting of proceedings | The insured is obliged to notify the insurer immediately upon becoming aware of the intention to hold him liable for an insured event or of any legal investigation or any other investigation which is about to be instigated or proceedings in connection with any insured event in respect of a claim that may be made in accordance with this policy. |
| 4 The transfer of documents from the insured to the insurer | The insured is obliged to submit to the insurer on receipt any summons, notification of court hearing, order or procedure relating to a claim arising or connected to the occurrence of an insured event. |
| 5 Cooperation | <p>The insured is obliged to provide to the insurer within a reasonable period of time after having been requested to do so: the information and documents required for the clarification of liability and if they are not in his possession, he is obliged to assist insofar as possible to obtain them.</p> <p>A If an obligation in accordance with clauses 1, 2, 3 and 4 or this clause is not fulfilled in time and the fulfilment would have enabled the insurer to reduce its liability, the insurer is exempt from making indemnity payments other than up to the amount which it would have been liable for were the obligation fulfilled. This directive will apply in each of the following situations:</p> |

- 1 The obligation was not fulfilled or was delayed due to justified reasons.
 - 2 The non fulfilment or delay in the fulfilment did not prevent the insurer from clarifying its liability and did not hinder the clarification.
- B If the insured acted intentionally to prevent the insurer from clarifying its liability or hindered it, the insurer is exempt from making indemnity payments other than up to the amount which it would have been liable for if nothing had been done.
 - C If the insured provided false information to the insurer, or withheld facts in connection with the insured event or in connection with the insurer's liability with fraudulent intent – the insurer is exempt from liability
 - D If an insured event was caused intentionally by the insured – the insurer is exempt from liability.
 - E The insurer is not obliged to making indemnity payments for a loss which the insured could have prevented on the occurrence of the insured event or thereafter by taking reasonable steps or measures which the insurer directed be taken.
- 6 Prohibition of admission**

No admission, offer, promise, undertaking or compensation whatsoever will be made or provided by the insured or on his behalf without the prior written agreement of the insurer. The provisions of this clause do not apply to the provision of facts of an event to the police or to any other legally authorised body at their request, as well as to the provision of testimony in legal proceedings.
- 7 Disclosure and changes to material facts**
 - A The policy was issued relying upon the written replies which the insured provided to the insurer in response to all of the questions raised in the proposal form which serves as the basis for this policy or in any other manner in which he was requested to do so and on reliance of the insurer's assumption that the insured disclosed all material facts for the purpose of assessing the insured risk.

If the insured did not reply fully and honestly or did not disclose a material fact to the insurer, the insurer will be entitled to cancel the policy or to reduce the scope of its liability in accordance with legal provisions.

- B** The insured is obliged to disclose in writing to the insurer during the period of insurance any alteration to material facts, immediately upon becoming aware of the same.

If the insured does not disclose such an alteration to the insurer, the insurer will be entitled to cancel the policy or to reduce the scope of its liability in accordance with legal provisions.

Material facts for the purpose of this clause are:

- 1** Facts which are stated as material facts in the proposal form or in any other documents which served as a basis for this policy.
- 2** Any event which affects the assessment of the insured risk.
- 3** A change in the profession, occupation or specialisation of the insured.

8 Claims Handling

If the insurer acknowledges its liability in accordance with the policy, it will be entitled, at its discretion, to take over and conduct the defence of any claim or settlement of any legal action in the name of the insured as well as to claim and to receive indemnification, compensation, participation and damages in the name of the insured. The insurer will have absolute discretion in the conduct of any proceedings or arrangement or settlement of any claim and the insured is obliged to provide all information in his possession to the insurer and to provide any assistance which is required of him in connection with the matters addressed in the clause.

It is hereby noted that the insured will not be required to defend any claim unless if a lawyer (who will be agreed upon between the insurer and the insured or who in the event that they do not agree upon a lawyer within 10 days of the date of receipt of the request for the same, will be appointed at the request of one of the parties by the presiding Chairman of the Israel Bar Association), expresses an opinion that in accordance with the facts of the event in question the defence has a reasonable likelihood of succeeding if the claim is brought to court and the insured does not have any reasonable cause to refrain from opposing it.

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- The insurer will not be liable to indemnify the insured in respect of liability which is imposed upon him as a result of an arbitration ruling that the insured accepted upon himself and/or legal proceedings that the insured did not notify the insurer of in advance.
- 9 Payment of the amount of the limit of liability**
- Prior to or during the conduct of proceedings or negotiations for a compromise settlement in connection with any claim or series of claims, the insurer is entitled to pay the entire amount of the respective limit of liability to the insured after deducting therefrom any amounts which have already been paid as indemnity payments and in such an event the insurer will waive the conduct and supervision of the claim or claims and will be released from any further liability in connection therewith.
- The amount to be deducted will be calculated by indexing the amount paid to the Consumer Price Index from the date of the partial payment up until the date on which the limit of liability is paid.
- The insurer will pay reasonable legal expenses which are incurred by the insured up to the payment date of the limit of liability by the insurer in connection with the proceedings, claims or negotiations as aforementioned.
- 10 Additional Insurances**
- The insured is obliged to notify the insurer of any additional insurance which covers the liability insured in accordance with this policy.
- 11 Premium payments**
- A** The premium and all other amounts due from the insured to the insurer shall be paid within 28 days of the inception date of the period of insurance or on other dates as stated in the policy (if at all), as applicable.
- B** If any amount due from the insured to the insurer is not paid on time, the entire amount will bear indexation increments and linked interest at an annual rate of 3% for period in arrears, which will be paid to the insurer at the time of settling the amount in arrears and as an integral part of the same.
- The indexation increments will be calculation in accordance with the ratio between the known index on the date on which the insured was obliged to make any payment and the index known on the actual payment date.

C If any amount in arrears as aforementioned is not paid within 15 days of the insurer having requested the insured pay, the insurer is permitted to notify the insured that the insurance will be cancelled following a further 21 days if the amount in arrears is not settled beforehand.

D Nothing contained in the cancellation in accordance with this clause comes to derogate from the obligation of the insured to settle the amount in arrears relating to the period up until the aforementioned cancellation including the insurer's expenses.

12 Extension of the period of insurance

Any extension of the insurance in accordance with the policy requires the written agreement of the insurer, which will be provided explicitly for this purpose.

It is hereby noted that at the end of the aforementioned period of insurance the insurance will not be automatically renewed and furthermore the insurance is not extendable by virtue of silence or other action of the insurer (other than its agreement, as stated in this clause) even if the insured proposed to the insurer in any manner or at any time that it be extended.

13 Cancellation of the policy

A The insured is entitled to cancel this policy by notification in writing to the insurer: the cancellation will become effective from the date stated by the insured in his notification however not prior to the date on which the notification is received by the insurer.

B Without derogating from the rights of the insurer in accordance with the law or in accordance with any other directive in the policy, the insurer is entitled to cancel this policy prior to the expiry of the period of insurance, provided that written notification is submitted to the insurer at least 21 days from the date on which the insurance is to be cancelled.

Cancellation of the insurance as aforementioned will not prejudice the rights to make a claim in accordance with the policy in respect of a claim which has been lodged against the insured prior to the cancellation of the insurance as aforementioned.

C In the event of the cancellation of the insurance by the insured, the premium for the period in which the policy was in force will be calculated according to the insurer's short period premium scale.

- D** If the insurer cancels the contract prior to the expiry of the agreed period of insurance and the cause for the cancellation was not a breach of the policy conditions by the insured or an attempt on his part to defraud the insurer, the insurer will pay the insured the amount that it would have requested from a similar insured for the same type of insurance on the cancellation date, pro-rata for the unexpired period up until the expiry of the agreed period of insurance.

14 Legal directives

The directives of the Insurance Contract Law - 1981 will apply to all matters connected to the policy insofar as obligatory in accordance with the subject matter, unless otherwise stipulated in this policy.

This policy is subject to the law applicable in Israel and the courts in Israel will have the exclusive jurisdiction in the adjudication of any disagreement arising from this contract.

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