



Bank of Jerusalem

Account no. _____

File no. _____

FOREIGN CURRENCY LOAN AGREEMENT
SPECIAL TERMS AND CONDITIONS

Set and signed on _____

Between

Bank of Jerusalem Ltd.

of _____

(Hereinafter referred to as the "Bank")

Of the first part

And:

Surname/Corporation	First name	ID/passport/ corporation no.	Address

himself or through his legal representative, Adv._____, ID _____, pursuant to a power of attorney a certified copy of which is annexed hereto as appendix "A"

(Hereinafter jointly and severally referred to as the "Borrower")

Of the second part

And:

Surname/ Corporation	First name	ID/passport/ corporation no.	Address

(Hereinafter jointly and severally referred to as the "Pledgor")

Of the third part

And:

Surname/ Corporation	First name	ID/passport/ corporation no.	Address

(Hereinafter jointly and severally referred to as the "Guarantor")

Of the fourth part

WHEREAS The Borrower warrants that at least one of the Borrower's components needs a loan in a sum of _____ [fill in the relevant currency] (_____) for the purpose of purchasing rights in the land detailed below:

	1	2
Property		
Block		
Parcel		
Sub-parcel		
Plot		
Scheme		
Street		
Street no.		
Apartment no.		
City/Settlement		

(hereinafter referred to as the "**Land**") and/or for the purpose of building on the Land and/or for the purpose of bettering the Land and/or that at least one of the Borrower's components needs a loan for any other purpose; and

WHEREAS the Borrower has applied to the Bank for the purpose of obtaining a loan for one or more of the purposes mentioned above, as set forth in the loan application the subject of this agreement; and

WHEREAS The Bank is willing to consent to the Borrower's application for the grant of a loan for one or more of the purposes mentioned above, in accordance with and subject to the Bank's approval and subject to the terms, conditions and undertakings detailed in this agreement (hereinafter referred to as the "**Agreement**" or the "**Loan Agreement**"), provided however, that only the Bank's signature on a copy of this Loan Agreement and the actual grant of the loan shall constitute its approval and consent to the grant of the Loan, subject to the performance of all the provisions of this agreement by the Borrower and/or the Pledgor; and

WHEREAS The Borrower owns rights and/or will own rights in the properties detailed below –

	1	2
Property	The Land mentioned in the first "whereas" above, jointly and severally	
Block		
Parcel		
Sub-parcel		
Plot		
Scheme		
Street		
Street no.		
Apartment no.		
City/Settlement		

(all the Borrower's properties mentioned above, save for any properties that the Bank may waive, if at all, in the future, in its sole discretion by means of a written notice to the Borrower, are hereinafter jointly and severally referred to as the "**Property**"); and

WHEREAS The Borrower undertakes to charge the Property in favor of the Bank in accordance with the provisions of this agreement, including Clause 5 of the General Terms and Conditions, and to give the Bank, at the appointed time, the collateral detailed herein, for the purpose of securing the Loan's repayment and for the purpose of securing the performance of all his other obligations pursuant hereto, and to serve as additional collateral for the full and precise discharge of all the amounts due to the Bank at any time from the Borrower pursuant to other

loan agreements executed between the Borrower and the Bank, in respect of which it has been agreed with the Borrower, in a written document, that they shall be secured through the Property, and for the performance of all the Borrower's obligations pursuant to any other agreement executed between the Borrower and the Bank, whether now or in the future, in respect of which it has been agreed with the Borrower, in a written document, that they shall be secured through the Property; and

WHEREAS The Pledgor owns rights and/or will own rights in the properties detailed below –

	1	2
Property		
Block		
Parcel		
Sub-parcel		
Plot		
Scheme		
Street		
Street no.		
Apartment no.		
City/Settlement		

(all the Pledgor's properties mentioned above are hereinafter jointly and severally referred to as the "**Pledged Property**"); and

WHEREAS The Pledgor undertakes to charge the Pledged Property in favor of the Bank in accordance with the provisions of this agreement, including clause 5 of the general terms and conditions, for the purpose of securing the repayment of the Loan to the Borrower pursuant hereto and for the purpose of securing the Borrower's performance of all his other obligations pursuant hereto, and to serve as additional collateral for the full and precise discharge of all the amounts due to the Bank at any time from the Borrower pursuant to other loan agreements executed between the Borrower and the Bank, whether now or in the future, in respect of which it has been agreed with the Borrower, in a written document, that shall be secured through the Property, and for the performance of all the Borrower's obligations pursuant to any other agreement executed between the Borrower and the Bank, in respect of which it has been agreed with the Borrower, in a written document, that they shall be secured through the Property; and

WHEREAS The Borrower wishes that the Property and/or the Pledged Property shall also serve as collateral for additional loans and/or Future Credit, as defined in the Agreement, received by the Borrower from the Bank from time to time, including in current accounts and/or other accounts, and the Pledgor and the Guarantor approve and consent thereto; and

WHEREAS For the avoidance of doubt and without derogating from the generality of clause 10 of the General Terms and Conditions, it is again expressed that the Guarantor's guarantee pursuant to this agreement is not dependent on any other collateral that the Bank does or does not receive, and in this regard even if the Property and/or the Pledged Property, or any part thereof, are not given to the Bank as collateral as aforesaid for any reason, whether any reason caused by the Borrower and/or the Pledgor and/or the Bank or otherwise, but subject to the provisions of clause 10(d) of the General Terms and Conditions, it shall not derogate from, or howsoever prejudice, the Guarantor's guarantee pursuant to this agreement; and

WHEREAS The Borrower represents and warrants that he maintains a Foreign Currency Account at the _____ Branch of the Bank, Account No. _____ (Hereinafter

referred to as the "**Account**" and as defined in the General Terms and Conditions); and

WHEREAS The Borrower agrees that his registered agent in Israel for the purpose of delivery of notices from the Bank and/or service of any court process shall be as follows: c/o _____, ID _____, whose address is _____. The foregoing agent is authorized on behalf of the Borrower to accept notices and/or to receive any service of court process from the Bank; and

WHEREAS The Pledgor agrees that his registered agent in Israel for the purpose of delivery of notices from the Bank and/or service of any court process shall be as follows: c/o _____, ID _____, whose address is _____. The foregoing agent is authorized on behalf of the Pledgor to accept notices and/or to receive any service of court process from the Bank; and

WHEREAS The Guarantor agrees that his registered agent in Israel for the purpose of delivery of notices from the Bank and/or service of any court process shall be as follows: c/o _____, ID _____, whose address is _____. The foregoing agent is authorized on behalf of the Guarantor to accept notices and/or to receive any service of court process from the Bank;

NOW THEREFORE THE PARTIES HEREBY AGREE AS FOLLOWS:

SPECIAL TERMS AND CONDITIONS

1. Loan Agreement documents

This Loan Agreement consists of the above recitals, the Special Terms and Conditions below, the General Terms and Conditions, and all the appendices thereto (insofar as appendices as aforesaid are annexed, which have been and/or shall be signed in connection with the Loan), which constitute an integral part hereof, and all their provisions thereof shall be treated as though included in the body of the agreement, and no effect shall be given to the Special Terms and Conditions and/or the General Terms and Conditions and/or the aforesaid appendices without the other terms and conditions of the agreement. In the event of a contradiction between the Special Terms and Conditions and/or the General Terms and Conditions, the Special Terms and Conditions shall prevail and apply.

For the avoidance of any doubt and without derogating from the aforesaid, even though the documents mentioned above are drawn up as separate documents, these documents together constitute the Loan Agreement, the provisions of which shall apply to and bind the parties to the agreement, including the Borrower, the Pledgor and the Guarantor, for all intents and purposes. In addition, it is expressed and agreed that the provisions of any mortgage deed and/or pledge agreement and/or guarantee and/or promissory note and/or the loan application and/or any other document drawn up and signed in connection with the Loan Agreement shall also constitute an integral part of the Loan Agreement documents.

In the event of a contradiction between the provisions of the Loan Agreement and the provisions of the Account Opening Document (and notwithstanding Section 2 of the Bank's form of Agreement for Opening an Account), the provisions of the Loan Agreement shall prevail.

2. Composition of the Loan and the interest rates

The Loan includes the following amounts, each of which shall be repaid to the Bank at the times and in the payments detailed below in this clause and in the other terms and conditions of the agreement.

The manner of determining the interest, the manner of its accrual and the dates of payment are as set forth in the General Terms and Conditions, and hereunder.

2.1 Variable Interest Rate on the basis of LIBOR Interest

- (a) **The sum of \$/£/€/¥/\$F*** _____ (in words _____) out of the total amount of the Loan, shall bear variable interest on the outstanding balance of the Loan from time to time, including any accrued interest thereon, of LIBOR + a margin of _____%, and as calculated from time to time by the Bank.

(*Delete as applicable)

As of the date of signing the Agreement, the LIBOR base rate is _____% (the "Base Rate"), and consequently the total interest rate at the date of the Agreement, on a yearly basis is: _____% (Effective/Coordinated Interest Rate : _____%)

Interest Period:

The Interest Period (as referred to in the General Terms and Conditions) shall be a period of : one month*

Three months (quarterly) *

Six months (semi-annually) *

Sixty months *

(*Delete as applicable)

- (b) **Term of the Loan:** _____ years (_____ calendar quarters), commencing upon the Drawdown Date.

(c) Payments

The Borrower undertakes to repay the Loan in periodic payments in accordance with the applicable Interest Period (**mark as applicable**):

- Repayment Terms - equal payments of principal :**

In _____ consecutive, equal and periodic payments of principal. Together with each such payment of principal, the Borrower shall pay interest with respect to the outstanding amount of the Loan at that time.

- Repayment Terms in Accordance with the Spitzer Table*:**

In _____ consecutive, and periodic payments in accordance with the Spitzer Table.

- Repayment Terms in Accordance with the Grace System - equal payments of principal:**

During the _____ Interest Periods commencing on the Drawdown Date of the first portion of the Loan, repayment of interest only.

In the subsequent _____ Interest periods, repayment in _____ consecutive, equal and periodic payments of principal. Together with each such payment of principal, the Borrower shall pay interest with respect to the outstanding amount of the Loan at that time/

- Repayment Terms in Accordance with the Grace System in Accordance with the Spitzer Table*:**

During the _____ Interest periods commencing on the Drawdown Date of the first portion of the Loan, repayment of interest only.

In the subsequent _____ Interest periods, repayment in consecutive and periodic payments in accordance with the Spitzer Table.

Repayment Terms in Accordance with the Balloon System - equal payments of principal:

During the _____ Interest Periods commencing on the Drawdown Date of the first portion of the Loan (the "**First Period**"), no portion of the interest or principal will be repaid. Repayment of the accrued amount of interest and principal relating the First Period will be deferred until the Second Period, as detailed hereunder:

In the _____ subsequent Interest Periods (the "**Second Period**"), repayment on account of the full amount of interest and principal accrued during the First Period, together with the repayment of the principal amount of the Second Period, shall be paid in consecutive, equal and periodic payments. Together with each such payment, the Borrower shall pay interest with respect to the outstanding amount of the Loan at that time.

Repayment Terms in Accordance with the Balloon System - in Accordance with the Spitzer Table*:

During the _____ Interest Periods commencing on the Drawdown Date of the first portion of the Loan ("**First period**"), no portion of the interest or principal will be repaid. Repayment of the accrued amount of interest and principal relating the First Period will be deferred until the Second Period, as detailed hereunder:

In the _____ subsequent Interest periods (the "**Second Period**"), repayment on account of the full amount of interest and principal accrued during the First Period, together with the repayment of the Loan with respect to the Second Period, shall all be paid together in consecutive and periodic payments in accordance with the Spitzer Table.

* It is hereby agreed and for the avoidance of doubt, clarified, that the above-mentioned payments (in accordance with the Spitzer Table) will be equal for as long as the Base Rate (as defined above) remains unchanged as detailed above. In event that the Base Rate shall change, the periodic amounts to be repaid shall change accordingly, where by the principal amount to be repaid each period shall be fixed accordingly to the original payment schedule and the interest payment shall be determined as aforementioned but in application of the new Base Rate applicable to the Loan at the relevant time. Notwithstanding the above determined installments the amount of each installment will be according to the payment tables issued periodically by the Bank and the Bank will be entitled at its sole discretion to determine and alter the amount of such installments and the Repayment Dates.

Repayment Terms in Accordance with the Bullet System :

During the _____ Interest periods commencing on the Drawdown Date of the first portion of the Loan, the repayment will be solely on account of interest. In the final _____th Interest period, there will be a single full repayment on account of the whole amount of the principal and interest regarding the last Interest period.

2.2 Variable Interest Rate on the basis of LIBOR Interest

- (a) **The sum of \$/£/€/¥/\$F*** _____ (in words _____) out of the total amount of the Loan, shall bear variable interest on the outstanding balance of the Loan from time to time, including any accrued interest thereon, of LIBOR + a margin of _____%, and as calculated from time to time by the Bank.

(*Delete as applicable)

As of the date of signing the Agreement, the LIBOR base rate is _____% (the "Base Rate") , and consequently the total interest rate at the date of the Agreement, on a yearly basis is: _____% (Effective/Coordinated Interest Rate : _____%)

Interest Period:

The Interest Period (as referred to in the General Terms and Conditions) shall be a period of :

- one month*
- Three months (quarterly) *
- Six months (semi-annually) *
- Sixty months *

(*Delete as applicable)

(b)**Term of the Loan:** _____ years (_____ calendar quarters), commencing upon the Drawdown Date.

(c) Payments

The Borrower undertakes to repay the Loan in periodic payments in accordance with the applicable Interest Period (**mark as applicable**):

- Repayment Terms - equal payments of principal :**

In _____ consecutive, equal and periodic payments of principal. Together with each such payment of principal, the Borrower shall pay interest with respect to the outstanding amount of the Loan at that time.

- Repayment Terms in Accordance with the Spitzer Table*:**

In _____ consecutive, and periodic payments in accordance with the Spitzer Table.

- Repayment Terms in Accordance with the Grace System - equal payments of principal:**

During the _____ Interest Periods commencing on the Drawdown Date of the first portion of the Loan, repayment of interest only.

In the subsequent _____ Interest periods, repayment in _____ consecutive, equal and periodic payments of principal. Together with each such payment of principal, the Borrower shall pay interest with respect to the outstanding amount of the Loan at that time/

- Repayment Terms in Accordance with the Grace System in Accordance with the Spitzer Table*:**

During the _____ Interest periods commencing on the Drawdown Date of the first portion of the Loan, repayment of interest only.

In the subsequent _____ Interest periods, repayment in consecutive and periodic payments in accordance with the Spitzer Table.

- Repayment Terms in Accordance with the Balloon System - equal payments of principal:**

During the _____ Interest Periods commencing on the Drawdown Date of the first portion of the Loan (the "**First Period**"), no portion of the interest or principal will be repaid. Repayment of the accrued amount of interest and principal relating the First Period will be deferred until the Second Period, as detailed hereunder:

In the _____ subsequent Interest Periods (the "**Second Period**"), repayment on account of the full amount of interest and principal accrued during the First Period, together with the repayment of the principal amount of the Second Period, shall be paid in consecutive, equal and periodic payments. Together with each such

payment, the Borrower shall pay interest with respect to the outstanding amount of the Loan at that time.

Repayment Terms in Accordance with the Balloon System - in Accordance with the Spitzer Table*:

During the _____ Interest Periods commencing on the Drawdown Date of the first portion of the Loan ("**First period**"), no portion of the interest or principal will be repaid. Repayment of the accrued amount of interest and principal relating the First Period will be deferred until the Second Period, as detailed hereunder:

In the _____ subsequent Interest periods (the "**Second Period**"), repayment on account of the full amount of interest and principal accrued during the First Period, together with the repayment of the Loan with respect to the Second Period, shall all be paid together in consecutive and periodic payments in accordance with the Spitzer Table.

* It is hereby agreed and for the avoidance of doubt, clarified, that the above-mentioned payments (in accordance with the Spitzer Table) will be equal for as long as the Base Rate (as defined above) remains unchanged as detailed above. In event that the Base Rate shall change, the periodic amounts to be repaid shall change accordingly, where by the principal amount to be repaid each period shall be fixed accordingly to the original payment schedule and the interest payment shall be determined as aforementioned but in application of the new Base Rate applicable to the Loan at the relevant time. Notwithstanding the above determined installments the amount of each installment will be according to the payment tables issued periodically by the Bank and the Bank will be entitled at its sole discretion to determine and alter the amount of such installments and the Repayment Dates.

Repayment Terms in Accordance with the Bullet System :

During the _____ Interest periods commencing on the Drawdown Date of the first portion of the Loan, the repayment will be solely on account of interest. In the final _____th Interest period, there will be a single full repayment on account of the whole amount of the principal and interest regarding the last Interest period.

2.3 **Fixed Rate**

(a) **Interest**

The sum of \$/£/€/¥/\$F* _____ - (in words _____) out of the total amount of the Loan, shall bear a fixed rate throughout the term of the Loan of _____% per annum (Effective Interest Rate : _____%).

(*Delete as applicable)

(b) **Term of the Loan:** _____ years (_____ calendar quarters), commencing upon the Drawdown Date.

(c) **Payments**

The Borrower undertakes to repay the Loan in periodic payments of every:

- month*
- Three months (quarterly) *
- Six months (semi-annually) *

(*Delete as applicable)

In accordance with one of the following repayment terms (mark as applicable):

Repayment Terms - equal payments of principal :

In _____ consecutive, equal and periodic payments of principal. Together with each such payment of principal, the Borrower shall pay interest with respect to the outstanding amount of the Loan at that time.

Repayment terms according to the Spitzer Table*:

In _____ consecutive and periodic payments in accordance with the Spitzer Table.

Repayment terms according to the "Grace" System - equal payments of principal :

In the first _____ consecutive periodic payments subsequent to the drawdown date, only interest will be repaid.

In the _____ subsequent payment periods, repayment in _____ consecutive, equal and periodic payments of principal. Together with each such payment of principal, the Borrower shall pay interest with respect to the outstanding amount of the Loan at that time

Repayment terms according to the "Grace" System according to the Spitzer Table*:

In the first _____ consecutive periodic payments subsequent to the drawdown date, only interest will be repaid.

In the subsequent _____ payment periods, repayment in consecutive and periodic payments in accordance with the Spitzer Table.

Repayment terms according to the "Balloon" System - equal payments of principal :

During the _____ periodic payments commencing on the Drawdown Date of the first portion of the Loan (the "First Period"), no portion of the interest or principal will be repaid. Repayment of the accrued amount of interest and principal relating the First Period will be deferred until the Second Period, as detailed hereunder:

In the _____ subsequent periodic payments (the "Second Period"), repayment on account of the full amount of interest and principal accrued during the First Period, together with the repayment of the principal amount of the Second Period, shall be paid in consecutive, equal and periodic payments. Together with each such payment, the Borrower shall pay interest with respect to the outstanding amount of the Loan at that time.

Repayment terms according to the "Balloon" System according to the Spitzer Table*:

During the _____ periodic payments commencing on the Drawdown Date of the first portion of the Loan (the "First Period"), no portion of the interest or principal will be repaid. Repayment of the accrued amount of interest and principal relating the First Period will be deferred until the Second Period, as detailed hereunder:

In the _____ subsequent periodic payments (the "Second Period"), repayment on account of the full amount of interest and principal accrued during the First Period, together with the repayment of the Loan with respect to the Second Period, shall all be paid together in consecutive and periodic payments in accordance with the Spitzer Table.

□ Repayment Terms in Accordance with the Bullet System :

During the _____ Interest periods commencing on the Drawdown Date of the first portion of the Loan, the repayment will be solely on account of interest.
In the final _____ th Interest period, there will be a single full repayment on account of the whole amount of the principal and interest regarding the last Interest period.

*Delete as required.

- 2.4 The monthly/ quarterly/ semi annually **payments for the Loan's repayment, in accordance with sub-clause 2(d) of the general terms and conditions, shall be made on each Repayment Day** , by debiting the Borrower's current account at the Bank.
- 2.5 In addition, concurrently with the execution of this agreement, the Borrower shall pay the Bank an initiation fee at a rate of _____% of the amount of the loan / a flat rate of _____.

3. Validity of the Loan's terms and conditions

If for any reason the Borrower does not receive the full amount of the Loan within 90 days from the signing of the Agreement, the Borrower shall be entitled to receive the balance of the Loan only subject to the Bank's prior written consent . In addition, the Bank may decide not to grant the loan or any part thereof, after the execution of this agreement, upon the occurrence of one or more of the events listed in clause 9(b) of the General Terms and Conditions below.

Without derogating from the aforesaid, the Bank may decide not to give the Borrower the full amount of the loan at once, but rather in installments, such being, *inter alia*, in accordance with the progress in construction, where the property being purchased and/or being built through own-construction, through the loan monies, has not yet been completed and the Borrower has not charged and assigned suitable collateral to the Bank, in accordance with the provisions of the Sale (Apartments) (Assurance of Investments of Persons Acquiring Apartments) Law, 5735-1974, as set forth in clause 5(k) of the General Terms and Conditions below.

Without howsoever derogating from the Bank's rights pursuant hereto, the Borrower undertakes to comply with all the conditions for receiving the Loan within no more than 12 days (if the interest rate is fixed) or 30 days (if the interest is an **adjustable rate on the basis of LIBOR Interest**) of signing the Loan documents or any other period determined by the Bank in such regard, from time to time.

Subject to the provisions of documents drawn up in connection with the Loan regarding maintenance of the interest rate for the Loan, the Borrower and the Guarantors hereby agree in advance that the interest rate for the Loan might change at the time of granting the Loan or any part thereof, in accordance with the change mechanism prescribed in the loan documents and subject to any law.

[Signature]

4. Consent to Receive Commercial Marketing Materials from the Bank

- The Borrower hereby declares his consent to receive Commercial Marketing Materials from the Bank by means of his fax or his e-mail address or his mobile phone, the details of which have been submitted to the Bank by the Borrower; this, in spite of the fact that the Bank has informed the Borrower that he is entitled to refuse the aforesaid messages.
- The Borrower does not wish to receive Commercial Marketing Materials from the Bank.

[Signature]

5. Irrevocable instruction

- (a) The amount of the Loan and/or any part thereof shall be deposited in the Borrower's account at the Bank or transferred to a beneficiary or beneficiaries of whom the Borrower instructs the Bank in writing pursuant to a payment order, and in the case of a loan for the purpose of purchasing rights in land, it shall be transferred to the order of the vendor or his attorney (hereinafter jointly and severally referred to as **the "Beneficiary"**).
- (b) The Borrower and each of the Borrower's components, by signing this agreement, confirm that the Bank has notified them that in the event that they have requested that the transfer be effected by way of a bank cheque, they must personally arrange for the receipt of the cheque/s in respect of the loan monies. Notwithstanding the aforesaid, the Bank may, without obligation, give the aforesaid cheque/s directly to the beneficiary and/or any of the beneficiary's components and/or to his/their order.

As witness the hands of the parties:

Bank of Jerusalem Ltd

The Borrower	
Name	Signature
(1)	
by his/her Attorney	
(2)	
by his/her Attorney	
(3)	
by his/her Attorney	

The Pledgor	
Name	Signature
(1)	
by his/her Attorney	
(2)	
By his/her Attorney	
(3)	
by his/her Attorney	

The Guarantor	
Name	Signature
(1)	
by his/her Attorney	
(2)	
by his/her Attorney	
(3)	
by his/her Attorney	

Confirmation of signatures

The Borrower:

Borrower's name	ID/passport/corporation no.	Official's name/Bank's stamp	Date	Signature

The Pledgor:

Pledgor's name	ID/passport/corporation no.	Official's name/Bank's stamp	Date	Signature

The Guarantor:

Guarantor's name	ID/passport/corporation no.	Official's name/ Bank's stamp	Date	Signature