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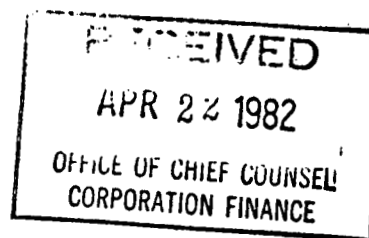
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April 21, 1982

Peter J. Romeo, Esq.
Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
500 North Capitol, N.W.
Washington, D.C. 20549



Re: Bank Leumi le-Israel B.M.
Securities Act of 1933, Section 5
Trust Indenture Act of 1939, Section 306

Dear Mr. Romeo:

In response to our letter dated December 23, 1981 requesting a "no action" letter with respect to the offer in the United States of securities issued by Bank Leumi le-Israel B.M. (the "Bank") without registration under the Securities Act of 1933 to persons who are neither citizens nor residents of the United States, you indicated that our letter did not appear to set forth adequate safeguards to assure that a distribution or redistribution of the offered securities will not occur in the United States. A copy of that letter and your response is enclosed.

Because the Bank had no specific offering planned at the time of our request, it was not practicable to set forth the specific safeguards the Bank would employ to assure that the securities in question would not be distributed or redistributed to citizens or residents of the United States. The Bank now plans an offering of \$60,000,000 principal amount of floating rate notes (the "Notes") to be guaranteed by the Bank and issued by Leumi International Investments N.V. ("LII"), a Netherlands Antilles corporation which is a wholly-owned subsidiary of the Bank. Information about the offering and the specific steps the Bank intends to take to assure that the Notes will not be

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distributed to U.S. citizens or residents are set forth below.

LII was incorporated in 1976 to assist in financing the international operations of the Bank and its subsidiaries. Similar notes issued by LII and guaranteed by the Bank have been offered and sold in England and Europe over the past several years. Although these past issues have been listed on the London Stock Exchange there is no active market for them, as most purchasers hold the notes for long-term investment purposes. Trading in the approximately \$275,000,000 of similar guaranteed floating rate notes currently outstanding generally varies between \$10,000 to \$50,000 a week. There is no market for the securities of LII in the United States.

The Notes now proposed to be issued will have a maturity of seven years, extendible at the holder's option for an additional three years. They will bear interest at 1/4 percent per annum above the mean between the bid and offer rates for six months Eurodollar deposits in the London inter-bank market. The Notes will be issued under a Trust Deed between LII, the Bank and National Westminster Bank Limited. The paying agents for the interest and principal on the Notes will include Bank Leumi Trust Company of New York, a New York State chartered bank, insured by the Federal Deposit Insurance Corporation (the "FDIC").

Information about the Notes, the offering, and the business and financial condition of LII and the Bank will be set forth in an offering document prepared to comply with the laws regarding public offerings in the United Kingdom. There will be no advertising of the offer in the United States and advertising outside the United States will be limited to the items required by the London Stock Exchange; that is, a "tombstone advertisement" which appears in a London newspaper after the closing of the subscription list and the issue of Extel Cards, which are given to the subscribers to the Extel service. These cards present a summary of the offering in accordance with the offering practices

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in England. It is expected that offers and sales will be made by personal contact with the purchasers by personnel of the Bank and its affiliates, that the subscription list for the Notes will be open for one day and that the Notes will be listed for trading on the London Stock Exchange. It is further expected that the offering document for the offering will be available approximately one week before the opening of the subscription list.

To assure that the Notes will not be offered or sold to United States citizens or residents, all offering documents, including the Extel Cards, will state, and the Notes will bear a legend, that the Notes have not been registered under the Securities Act of 1933 and that the Notes may not be offered or sold, directly or indirectly to nationals, citizens or residents of the United States (including its possessions and territories and areas subject to its jurisdiction) unless registered under that Act or an exemption from registration is available. As is typical, the notes will be issued in bearer form and the legend on the Note certificates will be removed only on specific request at which time the Bank will be in a position to determine the circumstances giving rise to the request; however, the legend would in no event be removed before 90 days after the offering is closed. All personnel of the Bank or its affiliates, wherever located, who will be connected with the offering will be specifically instructed that no offers or sales are to be made to citizens or residents of the United States.

The Bank has customers in the Western Hemisphere who are neither citizens nor residents of the United States. These customers come to the United States from time to time. The Bank desires the ability to offer the Notes to these persons while they are temporarily here. Offers of the Notes would be made only by designated officers of the Bank's FDIC insured branches in California, its agencies in Miami, Florida, and in New York City and at its subsidiary; Leumi Securities, a registered broker-dealer in New York. Offers may also be made by designated officers at the office

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of the international department of Bank Leumi Trust Company of New York, a New York State chartered bank insured by the FDIC and a subsidiary of the Bank. In each case offers would be made on a personal basis only to non-United States persons who are customers of the Bank of its affiliates and who are known by the officer making the offer to be neither citizens nor residents of the United States. No sale of the Notes would be made without a review of the facts and circumstances with respect to each customer by personnel of the Bank's New York Agency. Persons purchasing Notes through any of the Bank's United States offices would be required to purchase a minimum principal amount of \$50,000. Certificates for Notes are issued in denominations of \$1,000, \$10,000 and \$100,000, however, no certificates for less than \$10,000 will be issued to the non-United States persons who purchase Notes through the Bank's offices in the United States. Once issued none of the certificates may be split into Notes of a smaller denomination. To assure further that there is no redistribution of the Notes sold to non-United States citizens or residents to whom an offer was made in the United States, the Bank will hold all such Notes in custody for a period of ninety days following the sale and will release the Notes before that only upon a demonstration by the customer that Notes will not be offered in the United States. The Bank offers its customers a safe-custody service in respect of the certificates, and, in the light of past experience it is expected that most customers for the Notes will request the Bank to hold the certificates in custody beyond the ninety days.

All purchasers of the Notes, wherever located, are required to execute a declaration (a copy of which is enclosed) that they are not citizens or residents of the United States, that they are not acquiring Notes for any such person and that they have no present intention to sell any Notes in the United States.

In view of the fact that the offering is being made by a non-United States company, the restrictions on the ownership of the Notes, the steps that will be taken to assure that neither the offering documents relating to the

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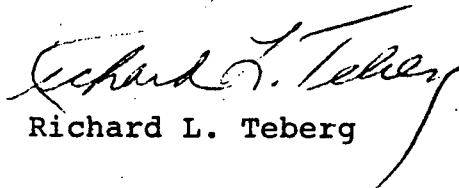
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Notes nor any other advertising concerning the Notes will be distributed in the United States to anyone who is a citizen or resident of the United States and the restrictions that will be placed on the subsequent sale and the transfer of the Notes, we respectfully request that the Division indicate that it will recommend no action to the Commission if the Notes are not registered under the Securities Act or an indenture is not qualified under the Trust Indenture Act.

If you have any questions, please do not hesitate to call Leonard M. Leiman or the undersigned. If for any reason it appears that your response to our request may be negative, we would like to arrange a meeting with you to discuss the matter prior to any response.

Sincerely,



Richard L. Teberg

Enc.