

February 14, 2017

Mr. Avigdor Lieberman  
Minister of Defense  
c/o Marlene Mazel  
Special Advisor, Department of International  
Affairs  
Office of the State Attorney  
Ministry of Justice  
29 Salah A-Din - P.O.B. 49029  
Jerusalem, 91490 Israel

Dear Mr. Lieberman:

We are very pleased that you have engaged Arnold & Porter Kaye Scholer LLP (the "Firm") to provide legal services to you in connection with the *Peled v. Netanyahu* case. The purpose of this letter is to set forth our mutual understanding as to the basis on which our fees and related expenses will be charged with respect to this matter.

Fees and Expenses. We understand that the Ministry of Justice of the Government of Israel will be responsible for the fees and expenses incurred on your behalf in this matter.

Joint Representation. The Firm represents both you and other individual named defendants who are all present or former officials of the Government of Israel in this litigation, with all defenses coordinated through the Ministry of Justice. Based on the information we have, we do not believe that our representation currently involves any conflict of interest. It is possible, though unlikely, that the interests of yourself and other defendants or of the Ministry of Justice could diverge at some point. We will be alert to the potential for such conflicts, as should you. In the unlikely event that such a conflict of interest did develop, we would discuss the situation fully so that you could decide whether you wish to obtain independent counsel. It is possible in that circumstance that the Firm might have to withdraw from representing one or more clients, but we will continue to represent such clients so long as we are permitted to do so under the Rules of Professional Responsibility. By signing this agreement, you acknowledge this possibility.

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In addition, in connection with this joint representation, the information provided by each client may be made available to the other. In the unlikely event of a dispute between the clients, none of them may be able to invoke the attorney-client privilege as against the others regarding communications with our Firm in this matter. The joint representation will not adversely affect the attorney-client privilege as to disputes with other parties or regarding other matters.

Waiver. Arnold & Porter Kaye Scholer LLP lawyers are located in nine cities both in the U.S. and abroad and the Firm represents thousands of clients each year. So that we are not unnecessarily conflicted from representing you or our other clients, we routinely ask clients for advance waivers of conflicts of interest in matters distinct from the matters on which we represent them. Thus we request an advance agreement from you that the Firm will not be disqualified by reason of our representation from representing interests adverse to you in litigation, transactions or other matters that are not substantially related to the matters on which we have been retained on your behalf. This waiver and consent would not permit us to represent interests directly adverse to you in matters that are substantially related to the work done for you in these cases. And, of course, we will hold your confidences and secrets in confidence.

If you have any questions regarding these provisions, please feel free to ask us or any other counsel. Signing and returning the agreement and consent at the end of this letter will signify your informed consent to this arrangement and waive any conflicts regarding that arrangement.

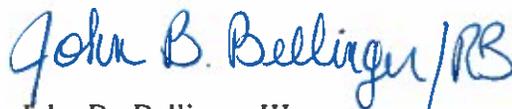
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If the terms of the engagement are acceptable, please sign and return to me the enclosed copy of this letter, evidencing agreement to these terms.

Once again, let me say how pleased we are that you have engaged Arnold & Porter Kaye Scholer LLP in this matter.

Sincerely yours,

ARNOLD & PORTER KAYE SCHOLER LLP



John B. Bellinger III

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ACCEPTED AND AGREED TO:

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Avigdor Lieberman