**18 September 2017**

To Mr. Massimo Elliuta,

**Subject: Accident from 11 August 2014**

**Azam Family/Wafa Azam and Sahar Azam**

I am hereby confirming receipt of your letter from 7 August 2017 and am replying as follows:

1. With regard to your request for a translation of the salary slips of Mr. Wafa Azam during the period of his employment in Tefron, attached is a salary slip from June 2010, which was his last period of work.
2. With regard to what is written in Section 1 of your letter, I wish to emphasize that the pension being received by Mr. Wafa Azam at present comes to the sum of NIS 4,566, including the supplement for dependents for the children under the age of 18; when they reach the age of 18, his pension will amount to a total of NIS 2,692 (this is the amount on which the calculation of damage is supposed to be based).
3. With regard to your request to estimate the damage for work in the home of Mr. Wafa Azam, there is no such mechanism in Israel, and generally the amount of compensation is derived from the rate of medical disability which was determined and the degree of dependence on others and the need for third party assistance (in the case of Mr. Wafa Azam, it was determined that he is dependent on others in the execution of daily activities, and thus in principle he is entitled to this compensation component.
4. With regard to your request in Section 3 – in Israel it is not possible to know when children leave home; in accordance with the practices and culture here, children leave home only after they are married, and therefore it is not possible for me to give a response to your request, since I do not know when the children will be getting married and exactly when they will be leaving home.
5. In order to give you some satisfaction, I should point out that according to the statistics in Israel, the age of marriage for men at the present time is 30, and the age of marriage of women is 26. However, this is only a statistical average.
6. With regard to your question in Section 4 – there is no specific amount, and in Israel it is not usual to evaluate such amounts; generally, if a disability has been fixed, all the components of the compensation, including the assistance of others, are derived from the rate of medical disability determined for the injured party.
7. In any case, and according to the declaration of Mr. Wafa Azam, he requires assistance in caring for the garden once a week for eight hours, where the minimum hourly rate at present comes to NIS 26.88; therefore Mr. Wafa Azam is paying about NIS 900 per month for gardening.
8. With regard to your question in Section 5 – according to Israeli law, the amount of the compensation is derived from the medical disability determined for the person injured; however, and for the purpose of estimating the other components of the compensation such as third party assistance and assistance of others in the execution of daily actions, they rely on functional expert opinions from which it is possible to learn about the ability of the injured party to execute daily functions (such as washing, dressing, mobility, eating, supervision, etc.). According to the expert opinion of Dr. Kasis, which was translated and attached to my letter of 17 May 2017, Mr. Wafa Azam was in need of long-term care for an extended period; in other words, he required assistance of others in executing all daily actions for an extended period.
9. This fact is a basic datum in Israel for calculating the amount of compensation with regard to the components of third party assistance and dependency.
10. It should be clarified that third party assistance includes the assistance of another person in caring for the garden, cleaning the house and everything which a healthy person does by himself.
11. Level of dependence – this relates to the ability of the person to execute simple daily actions for independence, such as eating, washing, mobility, dressing, etc.

Your questions regarding Sahar Azam:

1. From 11 November 2014 to 31 May 2016, a full disability pension of NIS 2,300 was paid to Mrs. Sahar.
2. Starting from 1 June 2016, since a level of incapacity of 65% was fixed for Mrs. Sahar, she began to receive a partial disability pension of NIS 1,522.
3. With regard to what is stated in Section 2 – there are no witnesses, but documents transmitted for your examination, including a report on the average earnings in the Israeli economy, show that the rise in salary is normative and customary in Israel.
4. It should be pointed out that the employment agreement of Mr. Wafa Azam and Mrs. Sahar Azam was drawn up and agreed prior to the accident; as has already been explained, the salary appearing in the slip is a low salary and constitutes a starting salary, since there are family ties between the parties and the Nissim Company is a new company which does not yet have fixed revenues.
5. In fact, the starting salary is not realistic in the Israeli economy, and the salary fixed in the agreement at the end of the first three years constitutes the average salary in the economy and is a real salary.
6. With regard to what is written in Section 4 of your letter – the amount received by Mrs. Sahar is NIS 1,522 until retirement age, i.e. the age of 62; afterward, she will receive an old age pension which at present stands at a total of NIS 2,147 from retirement age to death.

**With regard to Mrs. Sahar Azam:**

1. In accordance with the National Insurance Act, every resident who files a claim for a general disability pension is examined at two stages; the first stage is a medical examination by medical experts who determine the rate of medical disability; in order for the insured person to move to the second stage, he must pass a medical threshold; in the case of Sahar, the medical threshold is 50%; according to the decision of the medical board, a weighted medical disability of 55% was determined for her, and therefore she passed to the second stage.
2. According to the National Insurance Act, payment of the disability pension is according to the degree of incapacity of the insured person to integrate at work; in the Act, levels of incapacity of 60%, 65%, 74%, 75% and 100% are fixed.
3. The insured person receives a disability pension according to the level of incapacity fixed by the National Insurance Institute; in the case of Sahar, a degree of incapacity of 65% was fixed for her, and accordingly the disability pension to which she is entitled at present stands at a total of NIS 1,522, which she will continue to receive until retirement age.
4. The retirement age for women at present is 62, and that is the determinant retirement age for Mrs. Sahar Azam; as mentioned above in accordance with Section 3 of the Retirement Age Law, the retirement age for women is 62; if Mrs. Sahar Azam had not been involved in an accident, she would have receive an old age pension of NIS 2,147, but here as well, it should be emphasized that Mrs. Sahar lost the pension fund which would have ensured a monthly pension at the rate of 75% of her salary prior to retirement in addition to the old age pension of the National Insurance Institute.
5. With regard to what is written in Section 5 of your letter – the amount mentioned is per month, not per week.
6. With regard to your request in Section 6 – the medical expenses come to a total of NIS 6,600; most of the treatments and medications are subsidized in accordance with the National Health Law.
7. In any case, since this is a small amount, your request for a translation of all the documents (the cost of the translation greatly exceeds the amount of the expenses), at this stage I would recommend that the client waive this component.
8. The calculations can be made in accordance with the data transmitted to you; I would be pleased to receive an estimate of the amount in accordance with the data transmitted to you with details of the components of the compensation.
9. For further handling.

In friendship,

Rami Shomar, Atty.