

Amiad Filtration Systems Ltd.

(the "Company")

Form of Direction

Annual General Meeting

Before completing this form, please read the explanatory notes below.

Form of direction for completion by holders of depository interests representing shares on a 1 for 1 basis in the Company in respect of the Annual General Meeting of the Company to be held at 11.00 am (London time), on Thursday, 1 September 2011 at the offices of Speechly Bircham LLP, 6 New Street Square, London EC4A 3LX, England and at any adjournment of the meeting.

I/We

Please insert full name(s) and address(es) in BLOCK CAPITALS

Of

being a holder of depository interests representing shares in the Company hereby direct Capita IRG Trustees Limited, the Depository, to vote for me/us and on my/our behalf in person or by proxy at the Annual General Meeting of the Company to be held on the above date (and at any adjournment thereof) as directed by an "X" in the spaces below.

Resolutions	Do you have a personal interest in the matter		For	Against	Abstain
	Yes	No			
1 To receive the financial statements of the Company for the year ended 31 December 2010 and the reports of the directors and auditors in relation thereto.					
2 To re-appoint Kesselman & Kesselman, a member firm of PricewaterhouseCoopers International Limited, as auditors of the Company and to authorise the directors of the Company to fix their remuneration.					
3 To re-elect Mr Tal Yeshua as a director of the Company.					
4 To re-elect Mr Dan Falk as a director of the Company.					
5 To re-elect Mr Zeev Holender as a director of the Company.					
6 To re-elect Mr Harel Beit-On as a director of the Company.					
7 To re-elect Mr Izhar Ben-Shlomo as a director of the Company.					
8 To re-elect Ms Osnat Ronen as a director of the Company.					
9 To re-elect Mr Arie Dayan as a director of the Company.					
10 To re-elect Mr Amos Shalev as a director of the Company.					
11 To appoint Mr Shmuel Dudai as a director of the Company.					
12 To approve the terms of appointment and remuneration of Mr Shmuel Dudai as a director of the Company.					

13	To approve the entering into of an indemnification agreement between the Company and Mr Shmuel Dudai.					
14	To approve and ratify the sub-lease agreement by and between the Company and Kibbutz Amiad – Cooperative Agricultural Society ("Kibbutz Amiad") dated 30 June 1998, as amended by an addendum dated 24 November 2005 (the " Amiad Lease Agreement "), and to approve certain amendments to the Amiad Lease Agreement.					
15	To approve and ratify the services agreement by and between the Company and Kibbutz Amiad dated June 1998, as amended by an addendum dated 24 November 2005 (the " Amiad Services Agreement "), and to approve an amendment to the Amiad Services Agreement.					
16	To approve and ratify the sub-lease agreement by and between the Company's subsidiary, Arkal Filtration Systems Cooperative Agricultural Society ("Arkal") and subsidiaries of Kibbutz Beit Zera ("Beit Zera") dated 28 April 2010 (the " Beit Zera Lease Agreement "), and to approve certain amendments to the Beit Zera Lease Agreement.					
17	To approve and ratify the services agreement by and between Arkal and Beit Zera dated 28 April 2010 (the " Beit Zera Services Agreement "), and to approve an amendment to the Beit Zera Services Agreement.					
18	To approve and ratify the human resources services agreement by and between Arkal and Kibbutz Beit-Zera dated 28 April 2010 (the " Beit Zera HR Agreement ").					
19	To approve a bonus of NIS 169,000 for Mr Tal Yeshua in respect of the year 2010.					
20	To approve the entering into of a service agreement between the Company and Mr Tal Yeshua.					
21	To approve an increase in the monthly gross remuneration (not including social benefits) of Mr Arie Dayan, director and CEO of the Company, from NIS 65,000 to NIS 75,000 with effect as of 1 April 2011, and to approve the entering into of a service agreement between the Company and Mr Arie Dayan.					
22	To approve a bonus of NIS 231,000 for Mr Arie Dayan in respect of the year 2010.					
23	To approve the terms of Mr Arie Dayan's Bonus Scheme for 2011.					
24	To approve a bonus of NIS 284,800 for Kibbutz Beit Zera, in respect of the year 2010, and such bonus shall include the proportion of the bonus pool payable to employees of Kibbutz Beit Zera under the approved Company's staff bonus and in accordance with the terms of the Beit Zera HR Agreement.					
25	To approve the participation of Kibbutz Beit Zera in the Company's 2011 bonus scheme.					
26	To change the Company's name from: "Amiad Filtration Systems Ltd." to "Amiad Water Systems Ltd."					
27	To authorize the Company to extend its directors' and officers' liability insurance policy for an additional 12 month period ending on 31 July 2012, in the current level of expenses.					

Signature(s):..... Date:2011

NOTES:

1. To be effective, a completed and signed Form of Direction must be delivered to the Company's transfer agent Capita Registrars Limited, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU, England, together with any power of attorney or other authority under which it is signed, by no later than 72 hours before the time fixed for the meeting or any adjourned meeting.
2. In the case of a corporation, this Form of Direction must be given under its seal or signed on its behalf by an attorney or duly authorised officer.
3. Please indicate how you wish your votes to be cast by placing "X" in the box provided. If no indication is given, you will be deemed as instructing the depository to abstain from voting. On receipt of this form duly signed, you will be deemed to have authorised Capita IRG Trustees Limited to vote, or to abstain from voting, as indicated on your Form of Direction
4. Any alterations to this Form of Direction must be initialled by you.