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AMERICAN STOCK EXCHANGE
Equities Options ETFs

American Stock Exchange
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1-09274

Dennis Meekins
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Via Facsimile and Express Mail

December 8, 2004

Eric Rieder, Esq.
Bryan Cave LLP
1290 Avenue of the Americas
New York, NY 10104-3300

Re: Carmel Container Systems Ltd. (Commission File Number 011-09274)

Dear Mr. Rieder:

This is in response to your letter of December 3, 2004 to Michael Fleming at the American Stock Exchange LLC ("Amex") regarding an application by Carmel Container Systems Ltd. ("Carmel") to withdraw from listing and registration on the Amex.

As you are no doubt aware, Carmel's application is subject to review and approval by the Securities and Exchange Commission rather than the Amex. Accordingly, I have forwarded your correspondence to Lisa Jones, Special Counsel with the Commission's Division of Market Regulation.

Please feel free to contact me if you have any further questions regarding this matter.

Sincerely,

cc: Lisa Jones, Esq.

Eric Rieder
Direct: (212) 541-2057
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erieder@bryancave.com

December 3, 2004

VIA FACSIMILE # (212) 306-5359
AND VIA FEDERAL EXPRESS

The American Stock Exchange LLC
86 Trinity Place
New York, NY 10006
Attn: Michael Fleming, Listing Qualifications

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Washington, DC

And Bryan Cave,
A Multinational Partnership,
London

Re: Carmel Container Systems Ltd., Commission File Number 011-09274

Dear Mr. Fleming:

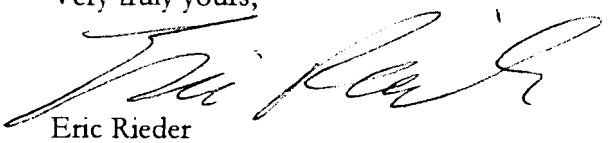
We are counsel to Ampal-American Israel Corp., Ampal Enterprises Ltd., and Ampal Industries (Israel) Ltd. (collectively, "Ampal"), shareholders in Carmel Container Systems Ltd. ("Carmel"), an issuer listed with the American Stock Exchange ("AMEX") pursuant to Section 12(b) of the Securities Exchange Act of 1934. Ampal-American Israel Corp. is a publicly-traded New York corporation with its shares listed on the Nasdaq. We write on behalf of Ampal concerning Camel's Application for Withdrawal from Listing of Securities Pursuant to Section 12(d) of the Securities Exchange Act of 1934 ("Application").

The Application is defective. It states that the "Registrant has met the requirement of Rule 18 of [AMEX] by complying with applicable laws in effect in Israel, in which it is incorporated. . . ." However, this statement is incorrect. Attached hereto is a letter to Carmel and its directors from M. Firon & Co., Israel counsel for Ampal. As set forth in that letter, the resolution of Carmel's board approving the proposed delisting from AMEX was passed unlawfully under Israeli law. Among other reasons, proponents of the resolution sought to justify it based on pretextual reasons regarding cost savings and the company's business performance. Ampal submits that the true reasons for seeking delisting are to evade disclosure and accountability for the large number of interested-party transactions engaged in by Carmel with entities owned or controlled by certain of the controlling shareholders of Carmel. In fact, if the real reasons for the delisting had been acknowledged at the board meeting,

the interested directors would have been unable to take part on the vote on the resolution.

Accordingly, we request that AMEX reject the Application and maintain Carmel's listing on AMEX.

Very truly yours,



Eric Rieder

Enclosure

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*of counsel

M. FIRON & CO.
Advocates and Notaries

November 21, 2004

WITHOUT PREJUDICE

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Dear Sirs,

Re: CARMEL CONTAINER SYSTEMS LTD. – DELISTING OF COMPANY'S STOCKS FROM TRADING ON AMEX

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16 Abba Hillel Silver St. | POB 3381, 52136 Ramat Gan | Israel | Tel. 972-3-7540000 | Fax 972-3-7540011
firon@firon.co.il

My clients, Ampal-American Israel Corp. and Ampal Enterprises Ltd., (hereinafter my "**Clients**") have instructed me to apply to you in the following matter:

1. My Clients are the holders of 522,000 ordinary shares in Carmel Container Systems Ltd. (hereinafter – the "**Company**") which shareholding constitutes 21.75% of the Company's issued ordinary share capital.

2. The Company's ordinary shares have been traded on the American Stock Exchange ("**AMEX**") since 1986.

3. On 7 November, 2004, a meeting of the Company's board of directors (hereinafter the "**Board**") was held, at which it was resolved, inter alia, to de-register the ordinary shares of the Company under the Exchange Act of 1934 and to de-list the shares from the AMEX (hereinafter the "**Delisting Resolution**").

4. My clients' representatives on the Board, objected to the proposals contained in the Delisting Resolution and duly voted against it.

5. **The Delisting Resolution was passed unlawfully. The actions it contemplates are not for the benefit of the Company and/or its shareholders, and are in breach of the obligations of trust, loyalty, equity and care that the Board owes the Company and all of its shareholders.**
The Delisting Resolution severely prejudices my Clients' rights, derogates from their legitimate expectations that the Company's shares should continue to be traded on AMEX, and is causing them extreme damage, the extent of which was apparent when notification of the Delisting Resolution was released to the press.

6. In an effort to "justify" their proposals, the supporters of the Delisting Resolution alleged as follows:

   6.1 There would be a direct annual saving of about $200,000 by not trading the Company's shares on AMEX;

   6.2 Continued trading of the Company's shares on AMEX will burden the Company's activities pursuant to the statutory demands under the Sarbanes-Oxley Act.

   6.3 Continued trading of the Company's shares on AMEX will require public disclosure of the Company's business results, and thereby harm the Company's competitive ability.

7. The aforesaid reasons are spurious and insubstantial and in no way justify the **drastic, injurious, hasty and significant** actions entailed in deregistration and delisting the Company's shares:

   7.1 Even if the costs involved in trading the Company's shares on AMEX do indeed amount to an annual average of about $200,000, this "saving"

cannot justify the loss of being able to trade the Company's shares on AMEX.
The ability to trade a company's shares on a stock exchange is an asset which cannot be over-valued or summarily given up. Deregistering and delisting the Company's shares will take away the Company's irreplaceable option to raise money in the capital market.
To delist the Company's shares without putting a viable alternative in place (e.g. – listing the Company's shares on the Tel Aviv Stock Exchange by 'double listing') the Company will lose its option to raise capital in the capital market and, if it should subsequently wish to exercise such an option, it could do so only by means of a new issue; a process many times more expensive than continuing to trade the Company's shares on AMEX.

My Clients' representatives put this argument to the Board and asked that the Delisting Resolution be deferred pending the examination by a subcommittee of the Board of the option of double-listing the shares (in Israel and in the U.S.A.). The request was not discussed and rejected without any reason being given. Instead, the Board hastened to accept the delisting plan.

7.2 The Sarbanes-Oxley Act does indeed impose obligations on the Company and its directors, especially concerning audit and supervision of the Company's activities. However my Clients see this Act as a benefit, intended to protect the Company and its shareholders, particularly in light of the substantial number of interested party transactions being realized in the Company.

My clients strongly suspect that the main, if not the only, reason for adopting the Delisting Resolution was the desire on the part of its proponents to evade proper, active and effective supervision of the numerous interested parties' transactions that are implemented on a regular basis between the Company and the assorted entities belonging to the various controlling groups in the Company.

7.3 There is nothing substantial to the claim that continued trading of the Company's shares would expose the Company's business data to competitors in the market. 15% of the Company's share capital is held by the public. Every Company shareholder receives financial statements and the Company's business data is therefore already available to the public. Whether the Company's shares are traded on AMEX or not, its financial and business data are exposed, which has been the situation for years.

7.4 That and more: the delisting and deregistration of the Company's shares will severely detract from the transferability of the shares and thereby cause damage to the Company's shareholders.

8. In light of the above, you are demanded:

8.1 Not to implement and/or cease any activity directly and/or indirectly connected with the implementation of the Delisting Resolution.

8.2 To call an urgent further meeting of the Company's Board of Directors at which the Delisting Resolution of November 7, 2004, will be annulled and appoint a special subcommittee to examine delisting and deregistration of the Company's shares.

9. For the avoidance of any doubt, should the Delisting Resolution be implemented, my Clients will consider each one of you directly responsible by virtue of any law, for damages caused to them.

10. Nothing in this letter shall derogate from any right and/or claim reserved to my Clients by virtue of any agreement and/or law.

Sincerely yours,

Eldad Firon, Adv.

copies: Ampal-American Israel Corp.
Ampal Enterprises Ltd.
Mr. Yoram Firon
Mrs. Irit Eluz