

IMPORTANT NOTICE

~~The Depository Trust Company~~



#: 6310-10
Date: 03/12/10
To: All Participants
Category: Dividends
From: Supervisor, Stock Dividend Department
Attention: Dividend Managers, Cashiers, and Reorganization Managers
Rights: Tefron Ltd
CUSIP: M87482119 Rights CUSIP: M87482127 R/D: 03/11/10
Subject: Expires: 03/25/10 no later than 2:00 A.M. New York time unless extended
Rate: 1 Right for every 1.406 ordinary share held

*****WARNING TIME CRITICAL*****

Tefron Ltd is issuing transferable Rights to holders as of close of business on 03/11/10 (Record Date). Each holder is entitled to 1 Right for every 1.406 ordinary shares held. The Rights expire on 03/25/10 no later than 2:00 A.M. New York time unless extended.

DTC anticipates allocating Rights on 03/17/10.

THE DIVIDEND POSITION AND ALLOCATION HISTORY (DPAL) OPTION, ACCESSED VIA THE PTS DIVIDEND ANNOUNCEMENTS INQUIRY FUNCTION (DIVA), SHOULD BE USED TO CONFIRM YOUR RECORD DATE POSITION HISTORY.

IT IS IMPORTANT THAT PARTICIPANTS REFER TO THE DTC REORGANIZATION INQUIRY FOR PARTICIPANTS (RIPS), FUNCTION CODE 59, FOR INFORMATION REGARDING THE SUBSCRIPTION PRIVILEGE AND ANY EXTENSIONS TO THE EXPIRATION DATE.

If participants have any questions regarding this Important Notice, they may contact DTC's Customer Help Center at (888) 382-2721.

For questions regarding this Rights Offering, please contact The Altman Group, Inc. information agent at (877) 896-3194.

Non-Confidential

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