

Account Management



MIZRAHI TEFAHOT

Customer's Name

Account No.

Branch

Shalom,

pleased you've chosen to open a bank account with Mizrahi-Tefahot.

provides the general terms for managing your bank account with us.

is unclear, assistance is available from the personal banker.

Always at your service,

Mizrahi-Tefahot

1.	Introduction	1
2.	Definitions and interpretation	1
3.	Change of name or structure – continuity	3
4.	Provision of details and databases	3
5.	My declarations	4
6.	Binding signatures	4
7.	Withdrawal of money	4
8.	Multiple accounts	5
9.	Checking activity	5
10.	Deposits	6
10.1	Definitions for deposits	6
10.2	General	6
10.3	Interest	9
10.4	Deposits with periodic income	10
10.5	Non-linked foreign currency fixed deposits bearing fixed or floating interest	10
10.6	RCD - Revolving credit deposit	11
11.	The bank's rights	11
12.	Interest, fees and expenses	12
13.	Number of credit interest calculation days in a year	13
14.	Right to charge an account	13
15.	Applicability of the law and legal proceedings	13
16.	Partner in the account	13
17.	The bank's records	13
18.	Strike and failure	14
19.	Address of the parties and notices	14
20.	Hold mail at the branch	14
21.	Hold mail in a special box	15
22.	E-mail	15
23.	Non-performance of instructions	16
24.	Date of performance of transactions	16
25.	Correspondents	16
26.	Transfer of rights	17
27.	Waivers and settlements	17
28.	Technical changes	17
29.	Closing of account	17
30.	Modification of terms and conditions	18
31.	Exemption for the Bank in respect of duties of a noteholder	18
32.	Prescription	18
33.	Giving instructions	18
34.	Non-business day	18
35.	Payment services contract	19
Annex A	Conditions to giving instructions to a banker via means of Communication	35
Annex B	Subscription for arrangements for connection to the databases to obtain information and perform transactions	37
Annex C	Provisions regarding a Barak card	40
Annex D	Explanation regarding the risks in direct banking, principles of data protection and protection of privacy	42
Annex E	Privacy policy	43

ACCOUNT MANAGEMENT GENERAL TERMS AND CONDITIONS

The undersigned (the “Customer” or “I”) confirms and agrees that:

1. Introduction

- 1.1. **This document** specifies the terms and conditions that shall apply to any activity in the Account. In the case of a discrepancy between this document and another document that shall be signed between the Bank and the Customer, the provisions of the other document shall prevail.
- 1.2. **In this document, anything stated in the singular includes the plural and vice versa, anything stated in the masculine gender includes the feminine gender and vice versa, unless the context prescribes otherwise. The section headings are for the reader's convenience, and shall not be used for interpretation.**

2. Definitions and interpretation

- 2.1. **“Account”** – The account stated in the account opening application which refers to these terms and conditions, including as a Payment Account (within the meaning thereof in Section 35.1 below).

“Bank” – Mizrahi Tefahot Bank Ltd., including all of the branches thereof, in the present and in the future, including outside of Israel.

“Bank Group” – The Bank, a subsidiary thereof, an associated company thereof or an affiliate thereof (all jointly and severally).

“Customer” – Any or all of the Customer's individuals, and anyone acting on its behalf or in its stead. Undertakings and declarations of the Customer's individuals are joint and several.

“Bank's Books” – Including any register, account statement, microfiche, contract, letter of undertaking, deed, data card, ledger, sheet, spool, document or output that was produced from digital databases

of the Bank or from any electrical, electronic, optical or digital means on which data in connection with the Account or the account holders are recorded or stored, as well as any other means that shall be regularly used by the Bank for the purpose of recording or storing data in connection with the Account or the account holder, and any copy or photocopy of such a document or output.

“Note” – Including a bill of exchange, promissory note, check and negotiable document, including a postdated check and deed.

“Index” or “CPI” – the Consumer Price Index, including fruits and vegetables, as determined by the Central Bureau of Statistics or by another government institution, and any other official index that shall replace it. If another index shall replace the existing index, the Bank shall determine the ratio between it and the replaced index. If no index or replacement index is determined as aforesaid, the Bank shall determine the index.

“Representative Rate” – The representative rate of the relevant foreign currency, as determined by the Bank of Israel, failing which, the Bank shall determine the representative rate.

“Business Day” or “Banking Business Day” – A Banking Business Day is any day except Saturdays, public holidays, the two days of Rosh Hashana, Yom Kippur eve and Yom Kippur, the first day of Sukkot and Shmini Atzeret, Purim, the first and seventh day of Passover, Independence Day, Shavuot and Tisha BeAv, or any other day determined by the Supervisor of the Banks to not be a business day.

“Currency Business Day” – A Banking Business Day, as defined above, on which banks in Israel and in the country in which the currency was issued are open for the transaction of business in the relevant currency and it is traded in the country of issuance.

“Database” – A repository for storing data via an automatic data processing system located at the Bank or at another body whose services the Bank uses for such purpose.

“Foreign Currency Benchmark Interest Rate” –

- For the U.S. dollar: SOFR (Secured Overnight Financing Rate) for credit facilities / TERM-SOFR for loans.
- For the Euro: ESTR (Euro short-term rate) for credit facilities / EURIBOR for loans.
- For the Pound sterling: SONIA (Sterling Overnight Index Average).
- For the Swiss franc: SARON (Swiss Average Rate Overnight).
- For the Japanese yen: TONA (Tokyo Overnight Average Rate) for credit facilities / TORF (Tokyo Term Risk Free Rate) for loans.
- For the Australian dollar: BBSW (Bank Bill Swap Rate).
- For the Canadian dollar: CDOR (Canadian Dollar Offered Rate).

The Foreign Currency Benchmark Interest Rate will be posted on the Bank’s website.

“Bank of Israel Interest” – The interest determined by the Bank of Israel in the periodic monetary decisions, which is used by the Bank for giving loans to banking corporations or obtaining loans from banking corporations, at the rate thereof from time to time, published on the website of the Bank of Israel.

“Prime Interest” – The Bank of Israel Interest plus 1.5%.

“SOFR” – The interest rate known at 8:00 Israel time on any day (and on a day which is not a Business Day in Israel: at 8:00 Israel time on the Business Day that preceded it) which is paid for loans backed by Treasury

bonds for one day, as released by the New York Fed, as defined from time to time by the ISDA (International Swaps and Derivatives Association) and appearing at:

<https://www.isda.org/2020/05/11/benchmark-reform-and-transition-from-libor/#consultations>

“TERM-SOFR” – The interest rate for the interest period, as released two Banking Business Days on which there is trading on the financial markets, prior to commencement of each interest period, which is based on the SOFR interest, for periods of one month, three months, six months and one year, as shall be released by the CME Group, at:

<https://www.cmegroup.com/market-data/cme-group-benchmark-administration/term-sofr.html>

“ESTR” – The interest rate known at 8:00 Israel time on any day (and on a day which is not a Business Day in Israel: at 8:00 Israel time on the Business Day that preceded it), at which banks in EU countries can borrow money for a period of one day, as released by the European Central Bank, as defined from time to time by the ISDA (International Swaps and Derivatives Association) and appearing at:

<https://www.isda.org/2020/05/11/benchmark-reform-and-transition-from-libor/#consultations>

“EURIBOR” – The interest rate for the interest period, as released two Banking Business Days on which there is trading on the financial markets, prior to commencement of each interest period, at which credit institutions in EU countries and EFTA countries can borrow money, as released by the EMMI (European Money Markets Institute), as defined from time to time by the ISDA (International Swaps and Derivatives Association) and appearing at:

<https://www.isda.org/2020/05/11/benchmark-reform-and-transition-from-libor/#consultations>

“SONIA” – The interest rate known at 8:00 Israel time on any day (and on a day which is not a Business Day in Israel: at 8:00 Israel time on the Business Day that preceded it), which is paid by banking institutions for loans for one day from other financial institutions, as released by the Bank of England, as defined from time to time by the ISDA (International Swaps and Derivatives Association) and appearing at:

<https://www.isda.org/2020/05/11/benchmark-reform-and-transition-from-libor/#consultations>

“SARON” – The interest rate known at 8:00 Israel time on any day (and on a day which is not a Business Day in Israel: at 8:00 Israel time on the Business Day that preceded it), which reflects a securities sale and repurchase agreement for one day, as released by the Six Swiss Exchange, as defined from time to time by the ISDA (International Swaps and Derivatives Association) and appearing at:

<https://www.isda.org/2020/05/11/benchmark-reform-and-transition-from-libor/#consultations>

“TONA” – The interest rate known at 8:00 Israel time on any day (and on a day which is not a Business Day in Israel: at 8:00 Israel time on the last Business Day that preceded such day), which is paid on loans for a period of one day, as released by the Bank of Japan, as defined from time to time by the ISDA (International Swaps and Derivatives Association) and appearing at:

<https://www.isda.org/2020/05/11/benchmark-reform-and-transition-from-libor/#consultations>

“TORF” – The interest rate for the interest period, as released two Banking Business Days on which there is trading on the financial markets, prior to commencement of each interest period, which is based on the TONA interest, for periods of one month, three months and six months, as released according to the

definition thereof from time to time by the QBS (Quick Benchmarks Inc), at:

<https://corporate.quick.co.jp/en/torf>

“BBSW” – The interest rate for the interest period, as released two Banking Business Days on which there is trading on the financial markets, prior to commencement of each interest period, which includes the credit premium, which represents the market assessment for payment of a risk premium by large banks for risk-free interest, as released by the ASX (Australian Securities Exchange), as defined from time to time by the ISDA (International Swaps and Derivatives Association) and appearing at:

<https://www.isda.org/2020/05/11/benchmark-reform-and-transition-from-libor/#consultations>

“CDOR” – The interest rate for the interest period, as released two Banking Business Days on which there is trading on the financial markets, prior to commencement of each interest period, which is collected on short-term loans by Canadian banks, as released by Refinitive, as defined from time to time by the ISDA (International Swaps and Derivatives Association) and appearing at:

<https://www.isda.org/2020/05/11/benchmark-reform-and-transition-from-libor/#consultations>

3. Change of name or structure – continuity

A Customer's rights and undertakings shall not be modified or adversely affected by a change in his name, structure or composition.

4. Provision of details and databases

4.1. I shall provide the Bank with correct and accurate personal identification details pursuant to any binding law. I shall immediately notify the Bank of any change in any detail. So long as I shall not have notified the Bank of the change in writing or in any other manner that is acceptable to the Bank, the Bank shall act in accordance with the last record it has on file.

- 4.2. The Bank, subject to the disclosure duties imposed thereon pursuant to any law, shall maintain confidential any information pertaining to the Account.
- 4.3. The information relating to my Account at the Bank will be stored on a Database.
- 4.4. I allow the Bank to obtain relevant information about me and my business from any entity, and to deliver, for this purpose, to such entities my name and my identification number.
- 4.5. (Intentionally omitted)
- 4.6. (Intentionally omitted)
- 4.7. The Bank's privacy policy which is specified in Annex E hereto applies to customers that are individuals. Notwithstanding the aforesaid in this section and in any other document or section, the sections of the privacy policy specifying the cases in which the Bank may transfer information to other parties (Section 6 – "With whom will we share the information?" and Section 7 "Transfer of information outside of Israel") apply to both individuals and corporations.

5. My declarations

5.1. I declare as follows:

- 5.1.1. No petition for the appointment of a receiver, liquidator, receiver and administrator or trustee in bankruptcy or in insolvency proceedings or petition for dissolution or bankruptcy or for an order for the institution of proceedings (within the meaning thereof in the Insolvency and Economic Recovery Law, 5778-2018) is pending against me, and no order as aforesaid has been issued against me, nor has any special administrator or trustee been appointed for me by virtue of any law.
- 5.1.2. I have neither adopted nor plan to adopt a resolution for dissolution or to seek

bankruptcy or an order for the institution of proceedings.

- 5.1.3. I have disclosed in writing to the Bank any fact and condition that may affect my business.

- 5.2. I shall notify the Bank in writing and in detail within two days from the occurrence of a change in any fact declared by me in this section.

6. Binding signatures

- 6.1. I shall notify the Bank of the names of the persons authorized to sign on my behalf, as being from time to time, on the Bank's standard form for this purpose. So long as I shall not have given written notice of a change in the authorized signatories, I will be responsible for any action or payment performed by the Bank on the basis of the authorization existing at the Bank.
- 6.2. An authorized person may not authorize another to take any action in the Account, unless I shall have explicitly so determined in writing, with the Bank's consent.

7. Withdrawal of money

So long as no credit facility shall have been approved for me, in my Account in Israeli currency or in any foreign currency, I will not perform any transaction that will result in an overdraft in the Account in the same currency. To this end, I shall regularly check the balances in my Account and the expected withdrawals.

A withdrawal, charge or check that will cause an overdraft as aforesaid will be returned without prior notice.

I am aware of the grave significance of the return of a charge, withdrawal or check and the consequences thereof, including restriction of the Account pursuant to the Dishonored Checks Law, 5741-1981.

If, on a certain day, charges or withdrawals are presented to the Bank whose sum total results in an overdraft in the Account, the Bank shall first act to honor charges that were performed thereby, and only subsequently, if possible, will pay other charges. If I do not notify the Bank on the

same day by 10:00 in the morning in writing which of the charges or the withdrawals that were performed thereby shall be honored, the Bank shall act at its discretion and I shall entertain no claims or demands against the Bank due thereto.

If a negative balance is created in my Account without the Bank having had the possibility of preventing the same, or if and when the Bank authorizes, at its sole discretion, a negative balance, my Account will be charged in respect thereof with "overdraft interest for a checking account with no facility," as being from time to time, which shall not exceed the rate permitted by law.

For this purpose –

"Overdraft interest for a checking account with no facility" means (in the case of customers to whom the Fair Lending Law, 5753-1993, applies) the Bank of Israel interest rate plus 15%, (i.e. the maximum interest rate permitted by law), and in the case of foreign currency, "overdraft interest for a checking account with no facility" means the Foreign Currency Benchmark Interest Rate + 15%.

"Overdraft interest for a checking account with no facility" means (in the case of customers to whom the Fair Lending Law, 5753-1993, does not apply) interest as the Bank shall determine in this regard from time to time.

The interest shall be calculated by the Bank on the daily negative balances and will be paid by me or will be added by the Bank to the principal, at the end of each period, as shall be determined by the Bank from time to time, subject to any law.

So long as no credit facility has been approved for me in my Account, I will be required to cover the negative balance within seven days from the date of the Bank's first demand in a regular letter. However, nothing stated herein prejudices the Bank's right to demand payment without any prior notice in any case which confers on the Bank the right to payment on demand, including if there is a substantial concern of impairment of the Bank's ability to collect payment due to one of the following:

(1) An adverse change in my solvency;

(2) Other conditions which require the immediate performance of an action with respect to the debt.

The Bank will be entitled to cover any overdraft by the sale of financial assets in my Account. Any conversion from foreign currency to Israeli currency or vice versa, insofar as necessary, shall be performed according to the uniform rate. A conversion from one foreign currency to another foreign currency shall be performed in two stages: conversion from the first foreign currency into Israeli currency and from Israeli currency into the other foreign currency, all according to the relevant uniform rate (sale/purchase).

"Uniform Rate" – An exchange rate between a foreign currency and Israeli currency that is published by the Bank at the end of the Business Day for any negotiable currency and constitutes an official rate of the Bank for such day.

8. Multiple accounts

If, at any time, more than one account shall be registered in the Bank's Books in my name, alone or together with another – the Bank may deem all of my said accounts as a single checking account, in the sense that any balance available to my credit in any of the said accounts shall not be available to me other than after deduction of any debit balance I have in any one of the said accounts and any other liability, including such which derives from my guaranty or from Deeds or checks signed by me.

The Bank will be entitled to claim that I settle the overdraft of any account at the Bank or liability to the Bank, without being obligated to claim settlement of the overdraft of any other account or liability.

9. Checking activity

9.1. The Bank will not honor checks drawn on the Account unless they were issued by or with the approval of the Bank.

9.2. If I draw a check without coverage in the Account, I will return to the Bank, upon its first demand, the check forms in my possession, and the Bank will be entitled to block the Account to the drawing of checks for any period that it deems fit.

9.3. Crediting of my Account is contingent upon the actual honoring of checks that were deposited. The crediting will become final no later than three Business Days after the Banking Business Day on which the check was deposited.

9.4. If I deposit into my Account a check drawn on a bank outside of Israel, the amount of the check credited will not be final, and I am aware that the drawee bank overseas may return the check even a long time after the sum of the check is credited to my Account, and my Account will be debited accordingly.

10. Deposits

A deposit shall be subject – in addition to the provisions of this document – to specific terms and conditions that shall be specified in the deposit form and they shall prevail over the provisions of this document.

In this document and in the deposit forms, the term “savings” shall bear the same meaning as the term “deposit”, and is different to that in Section 5 of the Encouragement of Savings (Income Tax Discounts and Guaranty for Loans) Law, 5716-1956, prior to revocation thereof, and therefore the said savings does not grant an exemption from tax and shall be subject to the general laws that apply to deposits, as being from time to time.

10.1. Definitions for deposits

10.1.1. **“RCD”** (revolving credit deposit) – a deposit payable each Business Day, non-linked and bearing interest.

10.1.2. **“CLD”** – a deposit linked to a foreign currency with a predetermined payment date, which bears interest.

10.1.3. **“Foreign Currency Deposit”** – a deposit for a fixed period in foreign currency, which bears interest in currencies defined by the Bank.

10.1.4. **“Tariff Interest Table”** – a table in which the Bank publishes the minimum interest rates that were

determined thereby for deposits.

10.1.5. **“Base Interest”** – interest that is determined in the deposit form, in relation to which the margin is determined with respect to deposits at floating or variable interest. For example: Prime interest, Bank of Israel interest, Foreign Currency Benchmark Interest, TELBOR interest, etc.

10.1.6. **“Floating Interest”** – interest that applies to the deposit from the date of determination thereof until the date of modification thereof, from time to time, by the Bank.

10.1.7. **“Variable Interest”** – interest applicable to the deposit from the date of its determination until the date of its modification thereof, which shall be in predetermined periods of time.

10.2. General

10.2.1. General instructions and authorizations that I gave in respect of the checking account shall apply also to deposits.

10.2.2. If the Bank transfers, per my request, a sum of money from my checking account to a deposit (in this Section 10: the **“Deposit”**), the Bank shall manage the Deposit.

The type and details of the Deposit shall be agreed on between the Bank and I shortly before the deposit thereof, including in respect of payment thereof into the checking account or alternatively the manner of renewal of the Deposit, if the terms and conditions of the Deposit allow the renewal thereof.

A deposit in respect of which it is determined in the deposit form that it is an automatically renewing deposit will be renewed for an additional

period identical to the base period of the original Deposit (**"Renewed Deposit"**) up to the maximum number of renewals for that type of deposit.

The Bank will be entitled not to renew the Deposit if, on the renewal date, the Bank shall have another standard period in respect of deposits of such type, or the Bank does not accept, on such date, deposits of that type.

With respect to a Renewed Deposit other than at fixed interest, so long as the deposit form does not state otherwise, on the date of renewal of the Deposit, the same reduction or addition that applied on the date of the deposit with respect to the Base Interest (the **"Margin on the Base Interest"**), shall apply unless I withdraw part of the amounts of the Deposit during the deposit period or upon renewal thereof, all as specified in the deposit form.

With respect to Israeli currency deposits, so long as the Deposit is used as collateral for credit, upon the Deposit's final maturity as specified in the deposit set-up printout, the amounts shall be deposited in an automatically renewing deposit bearing floating interest pursuant to a fixed margin on the Prime Interest, according to the Bank's standard Tariff Interest Table for the sum of the Deposit, until the final maturity determined for this Deposit.

Notice with a specification of the terms and conditions of the Deposit will be sent to the Customer after the date of the deposit in the new deposit.

If, upon final maturity of the new deposit, the deposit is still used as collateral as described, the money will be redeposited in the same

manner and so on and so forth until cancelation of the pledge.

With respect to Foreign Currency Deposits, so long as the Deposit is used as collateral for credit, upon its maturity, the amounts shall be deposited immediately in a deposit for the period determined in the deposit agreement, according to the Bank's standard Tariff Interest Table for the sum of the Deposit.

Notice with a specification of the terms and conditions of the Deposit will be sent to the Customer after the date of the deposit in the new deposit.

If, upon maturity of the deposit, the deposit is still used as collateral as described, the money will be paid into the checking account and redeposited in the same manner and so on and so forth until cancelation of the pledge.

With respect to Israeli currency and foreign currency, the Customer will be entitled to request to deposit the money in an alternative deposit. The deposit in the alternative deposit is subject to the Bank's discretion.

10.2.3. Where a Deposit matures on a Non-Business Day, the payment shall be postponed to the next following Business Day. If the date is postponed according to this section, credit or debit interest shall be calculated also in the period of the postponement at the rate determined for the Deposit on the deposit date. However, in the case of a deposit that is paid in installments, no change shall occur in the interest period due to the postponement, if the basis for calculation of the interest is monthly.

10.2.4. Where an Index-linked deposit or savings mature on a Non-Business Day, which day is the last day in a Gregorian month, the maturity date shall be brought forward to the last day in such Gregorian month that is a Banking Business Day. If the maturity date falls on the 15th of the month, and this day is not a Business Day, the maturity date shall be postponed to the next following Business Day, although the end index will be the index published before the known index on the maturity date.

10.2.5. The Deposit cannot be endorsed, pledged or transferred to a third party, other than with the Bank's prior written consent.

10.2.6. The Bank shall have a right of setoff and lien on any and all deposits being in the Customer's account at any time, and the Customer will be entitled to withdraw from the Account the amounts of the deposits or any part thereof as they mature, provided that on such date the Customer does not owe the Bank any money in any account thereof at the Bank.

10.2.7. The terms and conditions of the Deposit will be subject to any law that shall apply in the relevant period. Any change in the provisions of the law and/or in the directives of the Bank of Israel will mandate a change in the terms and conditions of the Deposit accordingly.

10.2.8. Tax on the profits from the Deposit shall be duly collected.

10.2.9. In respect of deposits that are liable for withholding tax, the Bank shall deduct, on the maturity date or on the date of payment of the periodic income or on the date of renewal of the Deposit, income tax at the rate that shall be in effect on such date, by

deducting withholding tax from the profits of the Deposit or charging the Account in Israeli currency (except for cases in which the Customer presents a certificate of absolute exemption from deduction as aforesaid).

10.2.10. With respect to deposits in foreign currency, I will be able to instruct the Bank to deduct the said tax from the Deposit account in foreign currency, provided that such instructions shall be received at the Bank no later than one Business Day before the maturity date.

10.2.11. I will not be entitled to withdraw or receive the Deposit amounts, in whole or in part, or the interest and the linkage differentials in respect thereof, before the agreed maturity date of the Deposit, other than with the consent of the Bank and under such conditions as the Bank shall have determined, subject to any law.

Withdrawal other than at exit points ("Break") is not part of the terms and conditions of the Deposit and is subject to the Bank's sole discretion. In the event that the Bank agrees to the Customer's Break request, the Customer is aware that Breaking the Deposit will entail costs and receipt of reduced profits, and in certain cases profits will not be paid at all and the principal may even be impaired.

10.2.12. Dates of giving instructions in deposits

10.2.12.1. Up to one Business Day before the maturity date, I will be able to give instructions for performance of a transaction in the Deposit, except instructions that shall apply in specific

deposits as specified in the deposit form.

be determined by the Bank from time to time.

- 10.2.12.2. At the end of the period of the Deposit, and at exit points that shall be determined, I will be able to withdraw amounts that shall have accrued to my credit in the Deposit, all subject to the provisions of the deposit form.

An instruction for the performance of transactions in deposits may be given at the branch, during the branch's working hours or via the direct banking channels at the Bank. An instruction that I give to the Bank for the performance of a transaction in a deposit shall be performed on the first Business Day on which it may be performed according to the date of giving of the instruction, as specified in the deposit form.

The Bank is not obligated to perform an instruction that does not meet the conditions determined in the deposit form and/or in this document.

I will give any instruction for the performance of transactions in a foreign currency-linked deposit according to the times stated in the Bank's publications and in the deposit form.

The Bank will be entitled to not accept a deposit for a foreign currency-linked deposit during the course of a Business Day for such period of time as shall be determined by the Bank, from time to time.

- 10.2.13. I will be entitled to deposit in a Deposit amounts no less than the amounts that shall

10.3. Interest

10.3.1. Rate and manner of calculation

10.3.1.1. The Deposit shall bear interest at an annual nominal rate as set forth in the Bank's standard Tariff Interest Table at the time of the deposit, unless determined otherwise in the deposit form.

- In an Israeli currency deposit, the interest shall be calculated by the Bank according to the number of days in practice in the deposit period based on 365 days in a regular year and 366 days in a Gregorian leap year.

10.3.1.2. In deposits that are paid in installments on predetermined dates, the calculation will be made according to 360 days in a year and thirty days in a month, regardless of whether the interest is paid at the end of the deposit period or on another date.

10.3.1.3. In a deposit that bears interest as a margin on Base Interest, as shall be determined in the deposit form, the interest shall be calculated as specified in the deposit form.

10.3.2. Deposit after the end of the Business Day

10.3.2.1. If a deposit instruction is given after the time that was determined for the close of the Business Day at the branch, or on a Non-Business Day, the deposit shall be deemed as having been deposited on the next Business Day thereafter and the rate of the interest on the deposit will be as

shall be determined at the Bank in respect of the next Business Day after the day on which the deposit instruction was given in respect of identical deposits of the same type.

- 10.3.2.2. With respect to a CLD / Foreign Currency Deposits – if an instruction is given for a deposit into a CLD or a Foreign Currency Deposit after the time determined for the close of the Business Day at the branch, or on a day that is not a Currency Business Day, the deposit shall be deemed as having been deposited on the next Currency Business Day thereafter, and the rate of the interest on the deposit and the deposit exchange rate will be as shall be determined at the Bank in respect of the next Currency Business Day after the day on which the deposit instruction was given in respect of identical deposits of the same type. The Bank will be entitled not to accept a deposit for a foreign currency-linked deposit during a Business Day for such period of time as shall be determined by the Bank, from time to time.

10.4. Deposits with periodic income

- 10.4.1. In this section, the terms (which appear also in some of the deposit forms) “periodic income”, “monthly wage” or “monthly income” shall mean: an amount comprising interest (according to the type of interest that shall apply to the Deposit) or parts of principal and interest which shall be credited to my Account from time to time according to the terms and conditions of the Deposit, as specified in the deposit form. If the Deposit is linked to the Index or to a foreign currency, rate or linkage differentials, as

the case may be, shall be added to the periodic income.

- 10.4.2. The deposit period shall be determined by the Bank on the date of the deposit, as specified in the deposit form.

- 10.4.3. At the end of the deposit period, the balance of the amount plus interest and rate and/or linkage differentials, as the case may be, remaining in the Deposit after withdrawal of the periodic income, if such a balance remains, shall be available to me.

10.5. Non-linked foreign currency fixed deposits bearing fixed or variable interest

- 10.5.1. The interest rate on a foreign currency deposit bearing interest will be as determined in the deposit form.

The payments in respect of the Deposit, insofar as I shall not have given a renewal instruction (principal and interest), will be made to my foreign currency checking account at the Bank on the maturity date. The interest paid in respect of the Deposit shall be calculated according to the days on which the Deposit was actually deposited, divided by 365, even in a leap year.

In cases in which the interest on this deposit is liable for tax, the Bank shall deduct withholding tax from the interest pursuant to law, unless I present an absolute exemption from the withholding tax. I am aware that I will be able to give instructions with respect to a change in the renewal or non-renewal of the Deposit, provided that such instructions are received at the Bank no later than one Business Day before the Deposit's maturity date. So long as I shall not have given

the Bank another instruction, the Deposit shall be renewed by the Bank for an additional identical period (automatic renewal), subject to the maximum number of renewals for such type of deposit or to the final maturity date, whichever is earlier.

Upon the deposit of the Deposit, I shall notify the Bank as to whether, on the Deposit's renewal date, the interest accrued should be added to the principal of the Deposit or transferred to my foreign currency checking account. I will be entitled to modify my said instructions by notice that I shall give to the Bank up to one Business Day before the end of the Deposit period.

10.6. RCD - Revolving credit deposit

10.6.1. The RCD shall bear interest at a rate to be determined according to a margin on the Base Interest as specified in the deposit form.

10.6.2. The interest is calculated as daily compound interest. Tax on the profits in respect of the RCD shall be deducted by the Bank upon the sale of the RCD or after a period of 90 days, whichever is earlier, all subject to the provisions of the law.

10.6.3. The aforesaid notwithstanding, if I withdraw part of the RCD amounts and the balance of the RCD in the Account decreases, the interest rate on the RCD may be reduced.

11. The Bank's rights - lien and setoff

11.1. In this section "**Asset**" – of any kind whatsoever, including money, credit balances, securities and rights, including an asset as aforesaid that was and/or shall be delivered by me or for me to the Bank for collection and/or

security and/or safekeeping and/or in any other manner.

11.2. The Bank will have a right of lien on any Asset in any Account of mine, including a joint account I share with others, and including an Asset that is registered in my name together with others, and it will be entitled to exercise the same whenever doing so is required to protect its rights, until settlement of any outstanding debt that is or shall be owed to the Bank by me, including any contingent debt (the "**Above Amounts**"). The Bank will make a reasonable attempt to notify me thereof in advance.

If there is a reasonable concern that I will not meet my undertakings to the Bank, the Bank will be entitled to exercise its right according to this section also in connection with an amount not yet due and payable.

11.3. The Bank will be entitled to offset any credit balance that is available to me or for me in any account, including a joint account I share with others, for settlement of any outstanding debt that is owed to the Bank by me, including any contingent debt. The Bank will make a reasonable attempt to notify me thereof in advance. For the purpose of performance of the aforesaid, the Bank will be entitled to take any step as it deems fit under the circumstances.

11.4. We hereby declare that we are aware that in cases where the Bank exercises such setoff rights prior to the maturity date of any deposit or any account we have to our credit, changes to our detriment may occur as pertains to our rights in respect of or in connection with such deposit or account (such as with respect to interest rates, linkage differentials, rights to grants and loans, or with respect to the withholding of taxes, payments and compulsory state loans and the like – if such rights exist according to the terms and conditions of such deposit and account), and we hereby exempt the Bank from any liability for damage and losses that shall be caused or may be caused to us as a result of such setoff.

12. Interest, fees and expenses

- 12.1. If the Account shows a debt balance, the Bank will be entitled to charge it interest according to the rate that shall be determined and published from time to time by the Bank. The interest shall be calculated on the daily balances and added to the principal at the beginning of each period that shall be determined by the Bank at its discretion.

The Bank will be entitled to charge the Account –in respect of any positive balance in Israeli currency and/or in foreign currency in the checking account ,negative interest according to the rate that shall be determined from time to time by the Bank in cases where the Bank of Israel interest rate (for Israeli currency) or the daily Foreign Currency Benchmark Interest Rate (for foreign currency) is negative. The interest shall be calculated on the daily balances. The charge will be made at the beginning of each month or quarter or at the beginning of any other period, as shall be determined by the Bank at its discretion.

12.2. Cancellation of the LIBOR interest rate

On the first interest rate transition date after cessation of publication of the LIBOR interest rate on January 1, 2022 (and with respect to dollar LIBOR, on June 30, 2023), the said interest rates will be replaced with Foreign Currency Benchmark Interest Rates, as defined in Section 2 above. Moreover, in addition to changing the benchmark interest rate, the transition to risk-free benchmark interest rates may necessitate a cost update in respect of the risk, such that the Bank may change the margin in the existing relevant products.

The alternative interest rate shall replace the LIBOR interest rate in any document of the Bank, regardless of whether or not it is signed by me, in which there is reference to such interest rates. The Bank shall update me regarding the determination of the alternative benchmark interest rates and the method of additional calculation of the risk costs, on the

date on which they shall be determined.

In a case where a Foreign Currency Benchmark Interest Rate does not exist and/or shall cease to be published and/or is expected to cease to be published and/or a different Foreign Currency Benchmark Interest Rate is introduced in the world markets in lieu of or in parallel with the existing Foreign Currency Benchmark Interest Rate, the Bank will be entitled, at its sole discretion, to replace it with an alternative benchmark interest rate in the relevant currency, which has not yet been determined, and which will be accepted worldwide as an alternative to the said benchmark (the "Alternative Interest Rate"). There is a possibility that as a result of the determination of the Alternative Interest Rate, an updated margin / risk increment will also be required, in the Bank's opinion.

Upon determination of the alternative benchmark interest rate in any relevant currency, including a change in the margin / risk increment, the Bank will send me an update thereon. The update notice will be sent at least 45 days before the date of the change.

- 12.3. The Bank will be entitled to charge the Account with fees for the holding and maintenance of the Account, provision of banking services, and performance of a Payment Transaction (within the meaning thereof in the Payment Services Law, 5779-2019). The charge will be made according to the Bank's standard fees from time to time. In addition, the Bank will be entitled to charge the Account with any expense that shall be incurred in connection with the Account and any amount that I shall be charged to pay to the Bank by law.

- 12.4. Money received into the Account from a bank overseas may be accompanied by a request to impose fees only on the transferor (OUR). The OUR request notwithstanding, the Bank will charge my Account according to the Bank's fee pricelist. If the incoming funds are accompanied by a BEN request, namely a request to charge me, the beneficiary, with all

of the fees, the Bank will charge my Account according to the Bank's fee pricelist, and with additional fees which derive from the transaction, in accordance with the instructions of the banks overseas. In addition, the Bank does not allow transfers from my Account to overseas using the BEN method, namely charging fees only to the beneficiary's account.

13. Number of credit interest calculation days in a year

The interest shall be calculated based on the actual number of days for the interest period, divided by:

- 365 days in a regular year and 366 days in a leap year (for credit in Israeli currency).
- 360 days in a year (for credit in foreign currency).

14. Right to charge an account

In the event that the Bank is entitled to charge my Account, the Bank may do so regardless of whether the Account has a credit or debit balance, and regardless of whether an overdraft will be created in the Account as a result of the charge.

15. Applicability of the law and legal proceedings

15.1. The Israeli law shall apply to any matter relating to activity between the parties, without resorting to the choice of law rules of private international law. Israel will be the sole venue.

15.2. In addition, and without derogating from the provisions of Section 15.1, insofar as my activity in the Account or my personal characteristics involve a foreign link, my activity in the Account shall be subject to the provisions of the foreign law, as applicable.

15.3. If a third party files a claim, proceeding or demand against the Bank in connection with my Account at the Bank, or the Bank becomes involved in a claim, demand or proceeding on a matter which is solely a dispute between me and the third party, or an internal dispute between the account

holders, the following conditions shall apply:

15.3.1. The Bank will be entitled to take any reasonable step that it shall deem fit and even to prevent me from acting in my Accounts at the Bank.

15.3.2. I shall indemnify and compensate the Bank for any damage that shall be caused to the Bank, including as a result of the taking of steps thereby. The Bank will be entitled to charge any account of mine therewith with any amount that shall be owed thereto by me as a result thereof.

15.3.3. The Bank shall notify me of receipt of a claim, proceeding or demand as aforesaid, insofar as the same is possible.

15.3.4. In this section – "Damage" – any loss and expense, unless the Bank has an independent interest in the claim, in which case the court shall decide who will bear the damage.

16. Partner in the Account

A partner in the Account will only be a person who signed the documents required by the Bank for such purpose.

17. The Bank's records

17.1. Every detail in the Bank's Books shall be deemed as correct and serve as admissible proof of the existence of the said record and the veracity of the details stated therein.

17.2. I shall notify the Bank in writing of any contestation or objection that I shall have in connection with any account, account summary, confirmation or notice or copies thereof that shall be sent to me by the Bank, within 90 days from the date of receipt thereof, or within 180 days from the date stated in the document, whichever is earlier.

17.3. Where the Bank believes that any transaction was recorded in error in

the Account, or an error occurred in any record in the Account, including due to an erroneous amount, an erroneous date, an erroneous rate, an erroneous nominal value, etc., or that any transaction was not recorded in the Account due to an error, the Bank will be entitled, at any time, to remedy the error and all consequences thereof. The remedy will be made by debiting and/or crediting the Account, all as the case may be and according to the circumstances, and subject to the directives of the Bank of Israel.

18. Strike and failure

18.1. I hereby waive any claim, demand or suit:

18.1.1. In connection with non-performance of a banking transaction due to a strike or lockout that was declared as a cessation of services pursuant to Section 8-15 of the Banking Ordinance 1941 in the Bank Group or at any other institution whose services are required by the Bank for the purpose of performance of my instructions.

18.1.2. For compensation or indemnification in respect of any damage or loss, expenses and payments that shall be caused to me as a result of circumstances beyond the Bank's control.

18.2. The exemption that shall be given to the Bank according to the provisions of Section 18.1 shall apply to damage caused either directly or indirectly, provided that the Bank uses all reasonable efforts to meet its undertakings.

19. Address of the parties and notices

19.1. My address is the last address, notice of which was received at the Bank.

19.2. Any notice that the Bank sends by regular mail to my address shall be deemed as having been received by me according to the regular mailing arrangements. The Bank's written

declaration regarding the dispatch of the notice, its content and the delivery date shall serve as admissible evidence of the delivery, the date thereof and the content mentioned therein. Any notice that is delivered to me in any other manner shall be deemed as having been received by me upon delivery thereof.

19.3. I am aware that the Bank may, from time to time, send me notices to my mobile telephone or via other means, insofar as required by law or intended for delivery of a one-time password (OTP) or to notify me of an irregular transaction that was performed in the Account.

19.4. Any communication or notice by me to the Bank on a matter relating to this document shall be directed to the offices of the branch whose name is stated in the account opening document which refers to these terms and conditions, or to the person to whom the said branch shall refer me.

20. Hold mail at the branch

If the Bank agrees to my request that the address for delivery of mailings to me be "at the branch" etc., the following terms and conditions shall apply:

20.1. Any copy of any document that is intended for delivery to me (in this section: the "**Documents**") shall remain in the hands of the Bank until I give written notice to the Bank to send the Documents to the address that I shall state, or until they are personally delivered to me or to an authorized person on my behalf, and in any event no later than 90 days after the date stated in the document.

The provisions of Section 19.2 above shall apply, *mutatis mutandis*.

20.2. The Bank will be entitled to give me 30 days' prior notice of revocation of its consent to hold the Documents as specified above.

20.3. I exempt the Bank from any liability for any expense, damage and loss which may be caused to me as a result of a document being left at the Bank as aforesaid, unless I prove that the

damage, loss or expense were caused as a result of the Bank's negligence, all subject to the provisions of Section 20.4 below.

20.4. If liability is imposed on the Bank for any damage, loss, expense or payment as aforesaid, the Bank shall indemnify me only in respect of direct damage that was caused as aforesaid.

21. Hold mail in a special box

If the Bank agrees to my request to rent to me a box for safekeeping of mailings (the "**Box**"), the following terms and conditions shall apply:

21.1. Any document that is intended for delivery to me (in this section: the "**Documents**") shall instead be left in the Box.

21.2. The provisions of Section 19.2 above shall apply, *mutatis mutandis*.

21.3. Immediately upon my learning that the Box or the lock is faulty, that the key to the Box has been lost or that it was opened without permission, I shall notify the Bank thereof.

21.4. The Bank may cancel the above arrangement at any time by giving prior notice of 30 days.

21.5. I exempt the Bank from any liability for any expense, damage and loss which may be caused to me as a result of rental of the Box, unless I prove that the damage, loss or expense were caused as a result of the Bank's negligence, all subject to the provisions of Section 21.6 below.

21.6. If liability is imposed on the Bank for any damage, loss, expense or payment as aforesaid, the Bank shall indemnify me only in respect of direct damage that was caused as aforesaid.

22. E-mail

If the Bank agrees to my request that the address for delivery of mailings to me be by e-mail ("**Electronic Address**"), the following terms and conditions shall apply:

22.1. The Electronic Address shall not serve as a sole address for delivery of mailings. I shall provide the Bank with an additional (non-electronic) address.

22.2. The said additional address shall be subject to the provisions of Sections 19 to 21 above, as the case may be, subject to the provisions of this section.

22.3. The Bank shall decide, from time to time, at its discretion, what will be sent to the Electronic Address and what to the said additional address.

22.4. The provisions of Section 19.2 above shall apply, *mutatis mutandis*.

22.5. The Bank, a subsidiary or associated or affiliated company thereof or any employee, representative and agent thereof are exempt from any liability for any expense, damage and losses that may be caused as a result of use of e-mail, unless I prove that the damage, loss or expense were caused as a result of the Bank's negligence, all subject to the provisions of Section 22.6 below.

22.6. If liability is imposed on the Bank for any damage, loss, expense or payment as aforesaid, the Bank shall indemnify me only in respect of direct damage that was caused as aforesaid.

22.7. The Bank will be exempt from any responsibility if the message by e-mail did not reach its destination:

- Due to an error on my part in delivery of the Electronic Address to the Bank.
- Due to the closing of my e-mail box.
- Due to an interference in the electronic communication.
- For a reason beyond the Bank's control.

22.8. The Bank may store copies of documents relating to the Account and which are sent to me via e-mail on

Databases at entities other than the Bank and whose services the Bank uses for such purpose.

22.9. The Bank's ability to protect the confidentiality of the information from penetration by an unauthorized entity is limited and sometimes non-existent. I hereby waive any claim against the Bank in respect of a breach of the duty of confidentiality, damage, loss or expense caused as a result thereof.

22.10. The Bank may cancel the said arrangement at any time, by giving prior notice of 30 days.

23. Non-performance of instructions

The Bank will be entitled, at its discretion, not to perform an instruction of mine, to postpone performance thereof or to perform it partially in each one of the following cases:

23.1. The instruction is incomprehensible to the Bank.

23.2. The instruction was given regarding a check or note for security or collection or to the credit of an account, and the check or note or part thereof were not attached to this instruction or there is a defect therein or the details of such check or note are inconsistent with the description in the form.

23.3. The instruction was given other than according to the Bank's standard form.

23.4. The instruction arrived at the Bank after the date determined for delivery thereof.

23.5. The instruction concerned a transaction which the Bank does not usually perform, or does not usually perform in the manner in which it was given.

23.6. Performance of the instruction entails charging my Account and the status of the Account does not allow the charging thereof.

23.7. Several instructions were given by me and the status of my Account does not allow the performance of all of the instructions, in which case the Bank will be entitled, at its discretion, to

perform such instruction from among the said instructions that it deems fit.

24. Date of performance of transactions

With respect to the performance of a Payment Instruction (within the meaning thereof in the Payment Services Law, 5779-2019), the Bank will perform the same on the date of which the Bank shall inform me on the date of receipt of the Payment Instruction by the Bank.

25. Correspondents

25.1. The Bank will be entitled to use, for the purpose of performance of my instructions, correspondent services or another external service provider in Israel or overseas, at its choice ("**Correspondent**"), as a separate transaction or separate transactions or combine them with other similar transactions, and I will bear any and all payments that the Bank shall be required to pay the Correspondent and all of the taxes or mandatory payments, if any, in connection with the performance of my instructions as aforesaid.

25.2. Provision of information to a Correspondent – Notwithstanding the confidentiality duty imposed on the Bank and the provisions of Section 4.2 above, in cases where the Bank uses the services of a Correspondent for the purpose of executing my instructions, I am aware and I agree that the Bank will provide information, including about me, about the Account, transactions in the Account and any other relevant information (the "**Information**") to the Correspondent insofar as it shall be required to do so thereby for the purpose of provision of the service, and the Correspondent shall treat the Information according to its own policy and, *inter alia*, it may deliver the Information to companies in the Correspondent's group, outside advisors, foreign regulatory authorities and third parties related to provision of the service, in Israel or abroad. The Correspondent shall treat this information according to its own policy, and I am aware that the Bank does not control this policy, nor does it bear responsibility therefor, and I

shall have no demand and/or claim and/or suit against the Bank in connection with the provisions of this section.

- 25.3. If my account was credited due to a payment transaction through a Correspondent outside of Israel, the Bank may change the credit value date in the Account in accordance with the actual date of the credit by the Correspondent. If I give a payment instruction to transfer foreign currency, the beneficiary's credit value date is not controlled by the Bank, and may differ from the date of receipt of the payment instruction, transfer or order as recorded in my Account, *inter alia*, due to the time of receipt of the payment instruction at the Bank, type of foreign currency, country of destination, or according to legislation, laws, standards and procedures in the various countries, including that of the Correspondent.

- 25.4. It was made clear to me that the Correspondent is not obligated to perform any payment transaction, as aforesaid, whether fully or partially, and it may, at its discretion, fully or partially fulfill any transfer or order, or decline it, with no obligation to provide reasons for its decision. In such case, the Bank will be barred from performing the payment transaction.

A payment instruction or payment transaction as aforesaid is subject to the laws of the State of Israel, the laws of the country to which the money is being transferred, the laws of the country of issuance of the foreign currency, and the laws of the countries of the Correspondent or its correspondents, through which the payment transaction is performed.

26. Transfer of rights

- 26.1. I will not be entitled to transfer to another my rights vis-à-vis the Bank, in whole or in part, without the Bank's prior written consent.
- 26.2. Assignment of a right in a checking or revolving debitory account from the Bank to another shall be made according to the provisions of a

specific regulatory law on the assignment of rights from a bank account or according to the instructions of the Supervisor of Banks.

27. Waivers and settlements

- 27.1. A waiver or settlement will only be valid if made in writing.
- 27.2. The Bank's waiver of a breach or of non-fulfillment of a condition of this document or of any other duty that is imposed on me shall not be deemed as justification or an excuse for a further breach or further non-fulfillment of such condition or duty. The Bank's or my refrainment from exercising a right that is granted under this document shall not be interpreted as a waiver of such right.

28. Technical changes

If an account, loan or deposit number changes, all of the provisions of this document shall be deemed as relating to the said account or loan or deposit according to their new number.

29. Closing of account

The Bank shall at all times be entitled to limit the types of activity in the Account and even to close it, if it shall have notified me thereof in accordance with the provisions of Section 35.3.2 below, unless the conditions that require the Bank to maintain the same in accordance with Section 2(a) of the Banking Law (Customer Service), 5741-1981 are fulfilled in respect of such Account. The Bank shall be entitled to demand that I immediately pay the overdraft or discharge any other liability of mine, even if the Bank holds a security or guaranty in connection therewith.

Upon the closing of the Account or immediately upon the Bank's first demand I will return to the Bank any check book, credit card and bank card in my possession.

The closing of the Account will be in accordance with the directives of the Bank of Israel.

30. Modification of terms and conditions

The Bank will be entitled to modify, from time to time, the terms and conditions specified in this document and/or any other document at the Bank or to add new conditions, by prior written notice thereof or by posting on the Bank's website and bringing the fact of the post to my knowledge either by mail or by notice that shall be published in two daily newspapers – all in such manner as the Bank shall choose – with a specification of the modification and the date of commencement thereof. The modification or the addition shall not apply to any credit or investment that existed until the date of commencement of the modification, which do not explicitly provide that they may be modified.

If the modification or addition are unacceptable to me, I may, within 30 days from the date of publication thereof, close my Account while withdrawing money and paying credit in accordance with the conditions and instructions that were valid prior to the modification or addition.

31. Exemption for the Bank in respect of duties of a noteholder

I hereby exempt the Bank from any duty of a noteholder in respect of a note signed or endorsed by me.

32. Prescription

I waive my right to assert a claim of prescription pursuant to any law that shall be in effect at such time, with respect to these general provisions.

33. Giving instructions

Instructions may be given for the performance of transactions during the Branch's working hours, or via the banking communication channels at the Bank.

I am aware that the latest times for receipt of instructions for performance of transactions on the same Business Day, insofar as the Supervisor of Banks shall not have determined earlier times for the end of a certain Business Day:

33.1 Weekdays – until 18:30;

33.2 Fridays and the eve of an excluded day in the definition of a Business Day

(in Section 2.1 above), with the exception of the eve of a public holiday, Purim eve, Tisha beAv eve and the day before Yom Kippur eve – until 14:00;

33.3 The provisions of Subsections 33.1 and 33.2 above notwithstanding, with respect to instructions for the performance of transactions that I shall deliver via facsimile or secure communication, 30 minutes before the closing time at the branch where my Account is managed, as specified on the Bank's website.

After these times, the instructions will be performed on the next Business Day.

The aforesaid in this section notwithstanding, different times to those stated above may apply to: certain branches, performance of various transactions, transactions in foreign currency, transactions in domestic and foreign securities, all as specified in the "fair disclosure" on the Bank's website, or at the branch where my Account is managed, or at the service kiosks, as the case may be.

Any request or instruction that I shall deliver via facsimile or secure communication is contingent on the approval of the branch where my Account is managed, and under such conditions as shall be determined thereby.

An instruction that is received at the Bank after the close of a Business Day or on a Non-Business Day (and with respect to transactions relating to foreign currency – on a day that is not a Currency Business Day) shall be deemed as having been received at the Bank on the next Business Day (or Currency Business Day, as the case may be).

A Payment Instruction (within the meaning thereof in Section 35.1 below) that is given after the end of a Business Day (as specified above in this section) shall be deemed as having been received by the Bank on the next Business Day (or Currency Business Day, as the case may be).

34. Non-business day

I waive any claim, demand or suit which derives from the non-recording of a banking transaction in my Account which could not

be performed with the same date value because the Bank or banks overseas or in Israel are not open for the performance of such a banking transaction on such date or on part thereof.

35. Payment services contract

This section shall take effect upon the taking effect of the Payment Services Law, 5779-2019.

A summary of the material terms and conditions of the payment services contract in accordance with Chapter C of the Payment Services Law, 5779-2019, appears in the table at the end of Section 35.

This section shall not apply to payments made via a Note, as defined in the Notes Ordinance.

35.1. Definitions:

In this section –

- **“Law” or “Payment Services Law”** – The Payment Services Law, 5779-2019, as amended or shall be amended from time to time, and any and all regulations, orders and rules that have been and/or shall be promulgated thereunder.
- **“Business Day”** – As defined in Section 2.1 above.
- **“Payment Account”** – An account which allows, *inter alia*, the performance of payment transactions.
- **“Payment Transaction”** – Any one of the following:
 - The transfer of money from one account to another, provided that at least one of the accounts is a Payment Account, even if both of the accounts are under the same ownership.
 - The deposit of cash in a Payment Account.
 - The withdrawal of cash from a Payment Account.
- **“Payer”** – Any one of the following:
 - The person transferring money in Payment Transactions.
 - The person who manages a Payment Account from which it is possible to transfer money.
 - The person to whom a Means of Payment has been issued.
- **“Beneficiary”** – Any one of the following:
 - The person for whom the money transferred in a Payment Transaction is intended.
 - The person who manages a Payment Account to which it is possible to transfer money.
- **“Customer”** – As defined in Section 2.1 above, whether as Payer or as Beneficiary.
- **“Issuance of a Means of Payment”** – Provision of a means of payment to the Payer and an undertaking to perform a Payment Instruction that shall be given through it.
- **“Clearing of a Payment Transaction”** – Receipt and processing of a Payment Transaction for the purpose of crediting the Beneficiary with the money transferred in the framework thereof, and crediting of the Beneficiary.
- **“Beneficiary Payment Services”** – Any one of the following:
 - Clearing of Payment Transactions.
 - Management of a Payment Account for the Beneficiary.

- **“Payer Payment Services”** – Any one of the following:
 - Issuance of a Means of Payment.
 - Management of a Payment Account for the Payer.
- **“Means of Payment”** – All of the actions that a Payer is required to perform for the purpose of giving a Payment Instruction, including use of a verification detail or object .See a specification of the means of payment in the table at the end of Section 35.
- **“Payment Instruction”** – An instruction of a Payer to the provider of the Payer Payment Services to perform a Payment Transaction via a Means of Payment, including if it is given via the Beneficiary or another person duly authorized therefor.
- **“DDA”** – Authorization given by the Payer to the provider of the Payer Payment Services to perform a Payment Transaction or Transactions, upon the Beneficiary's request, from his Payment Account or via his Means of Payment, subject to the terms and conditions determined in the DDA.
- **“Guaranteed Payment Transaction”** – A Payment Transaction in which the provider of the Payer Payment Services undertakes vis-à-vis the provider of the Beneficiary Payment Services to transfer the money irrespective of actual receipt thereof from the Payer.
- **“Verification Detail”** – A detail unique to the Payer that is intended to verify his identity, such as: identification via an identity document and/or personal acquaintance and/or a signature compatibility check against a specimen signature in the Bank's possession.
- **“Enhanced Verification Detail”** – A verification detail that verifies the identity of the Payer with a high level of certainty, such as one or more of the following – a temporary one-time password, a permanent password or code, unique identifiers that shall have been provided by the Payer or a biometric feature.
- **“Essential Component” or “Essential Component in a Means of Payment”** – A component in the Means of Payment that is unique to the Payer, including the verification detail or object used as part of the Means of Payment or a combination of such components, through which the Payer or the person who duly holds such component or combination of components, may give a Payment Instruction. (See a specification of an essential component in all of the means of payment in the table at the end of Section 35).

35.2. Means of Payment

The table at the end of this section specifies the Means of Payment that the Bank issues to its Customers.

Specified alongside each Means of Payment are the actions that the Customer is required to perform in order to give a Payment Instruction, and the Essential Component in a Means of Payment, such that only a person who duly holds the Essential Component may give a Payment Instruction through such Means of Payment. The Bank may decide on use of different Verification Details in the Essential Component for different cases, according to the circumstances.

I am aware that the Bank is entitled to cancel, at its discretion, various Means of Payment provided thereby, or to not allow performance of Payment Transactions of certain types via certain Means of Payment, or to not allow use of certain Means of Payment at certain branches, provided that it gives me prior written notice thereof, other than in the case

of irregular circumstances which justify canceling the Means of Payment or changing the possibility of making use thereof, on an immediate basis.

I am aware that the said specification does not obligate the Bank to issue me with the Means of Payment specified therein or any part thereof or to offer the same at all of its branches, but rather according to its discretion.

I undertake to safeguard the identification details, the details of the Means of Payment, the Verification Details and/or the Essential Component and not to disclose the same to another, by an act or omission.

I am aware that the Bank provides the Means of Payment for my personal use and I am not entitled to transfer the Means of Payment to another, including the chain of actions which constitute the Means of Payment and/or the Essential Component.

I undertake to deliver to the Bank, in any Payment Instruction that I give to the Bank, whether directly or through a Beneficiary, correct and accurate identification details, details of Means of Payment and Verification Details.

I undertake to immediately notify the Bank of any suspicion of theft, loss or use by another of any Means of Payment that the Bank has issued to me. In addition, I undertake to deliver to the Bank full details on circumstances of theft or loss of an Essential Component or on Payment Transactions made in abuse of a Means of Payment.

35.3. Engagement in ,Renewal and Termination of a payment services contract –

My signature on this document constitutes my consent to the making of the payment services contract -

35.3.1. The term of the engagement in a payment services contract is indefinite, and will continue until I give the Bank notice of termination thereof

or until the Bank gives me notice of termination thereof as aforesaid.

35.3.2. The actions required to terminate a payment services contract with respect to the closing of the Payment Account:

- Cancellation of all of the DDAs and standing orders in my Account.
- Cancellation and return of all of the obligations to third parties which the Bank shall have assumed in respect of my Account at the Bank (such as: bank guaranties).
- Cancellation of all of the checks and Means of Payment and return thereof to the Bank or shredding thereof (including the credit cards and bank cards).
- Return of a safe deposit box, mailbox at a branch and the keys thereto to the Bank.
- Settlement of payment of any and all liabilities, including loans and other future liabilities in my Account and the Means of Payment.
- Cancellation of banking services through communication channels.
- Giving of explicit instructions to the Bank in relation to all of the assets and liabilities in my Account (such as withdrawal of deposits, sale or transfer of domestic and/or foreign securities, foreign currency, etc.).

- Notice to entities that credit my Account of the closing of the Account.
- If a positive balance shall remain in my Account after performance of the aforesaid, the giving of an instruction as to where this balance shall be transferred.

35.3.3. Where notice has been delivered by me of termination of the payment services contract, the termination date will be as follows:

- With respect to provision of a service of Issuance of Means of Payment or Clearing of a Payment Transaction, at the end of the Business Day after the date of delivery of the notice.
- With respect to provision of a service of management of a Payment Account – five Business Days after the date on which I complete, immediately or gradually, the actions required for the closing of the Account, as determined in this contract.

35.3.4. Where notice has been delivered to me by the Bank of termination of the payment services contract, the termination date will be 45 days after the date of delivery of the notice, other than in the case of irregular circumstances which justify termination of the payment services contract on an immediate basis.

I am aware that if notice is delivered to me of the closing of the Account by the Bank and I do not complete performance of all of the actions specified above within 45 days from the Bank's notice, the Bank will be

entitled to suspend any activity in the Payment Account apart from receipt of money for the repayment of credit, and to cancel any or all of the Means of Payment that shall have been issued to me.

35.3.5. I am aware that the provisions of this subsection do not derogate from the undertakings of the parties, myself and the Bank, whose purpose is to regulate the relationship between myself and the Bank after termination of the contract, including in the **"Transfer of activity and closing of account handbook"**, insofar as exist or shall exist on the date of the closing of the Account, or insofar as rules shall have been determined in this regard pursuant to law.

35.4. **Giving, performance and cancelation of Payment Instructions**

35.4.1. The Bank shall perform Payment Transactions only if I give it Payment Instructions. My Account will be debited in respect of the Payment Transaction on the date of performance of the Payment Transaction, including in the case of a post-dated Payment Instruction.

35.4.2. The date of receipt of a Payment Instruction will be the date on which it was actually received at the Bank. However, if a Payment Instruction was received at the Bank other than in the course of a Business Day or a Currency Business Day, it will be deemed as having been received on the following Business Day.

35.4.3. On the date of receipt of a Payment Instruction, I will be given information regarding the date of the transfer of the money and the expected date for receipt of the money to the

Beneficiary's credit, insofar as known to the Bank and as is accepted with respect to such Payment Transaction or Means of Payment.

35.4.4. I am aware that the Bank is entitled to refuse to perform a Payment Transaction on reasonable grounds.

35.4.5. I will be entitled to cancel a Payment Instruction that was given other than in the framework of a Guaranteed Payment Transaction, by notice to the Bank, according to the date set forth in the table at the end of Section 35, so long as it is able to halt performance of the Payment Instruction according to the reasonable technological limitations applicable thereto.

35.4.6. It is agreed that in circumstances so justifying, Payment Transactions may take effect at a later date and/or be delayed and/or refused and/or the money may be suspended, as the case may be, *inter alia*, in any one of the following events:

35.4.6.1. In case of a legal or other impediment to the performance of the Payment Transaction, including an impediment deriving from a breach or concern of a breach of provisions of any law, standard, policy or procedure (which applies to the Bank or the involved Correspondents), including those related to anti-money laundering, combating of financing of terrorism, or sanctions or restrictions imposed by competent authorities in Israel and overseas.

35.4.6.2. In case the delay results from constraints related to the specific characteristics of the Payment Transaction, including a Payment Transaction in foreign currency and/or results from

the performance of the transaction through Correspondents.

35.4.6.3. If the Payment Instruction is unclear or not sufficiently understood by the Bank or Correspondent, or if there is any flaw, discrepancy or error appearing in the Payment Instruction.

provided that the Bank shall perform the Payment Transaction at the earliest possible date after the aforesaid circumstances shall have ceased to exist.

35.5. **Suspension of use of a Means of Payment**

I will be entitled, at any time, to request of the provider of the payment services to suspend the use of the Means of Payment that it issued to me for a period that shall not exceed 14 days.

The Bank may suspend the use of a Means of Payment in my possession if the same is required in accordance with the provisions of any law and on reasonable grounds, including due to a concern of a breach of security of the Means of Payment, a concern of abuse of the Means of Payment or fraud, and due to a substantial concern that I will not meet my liabilities (if the payment originates from credit given to me thereby). Where the Means of Payment shall have been suspended as aforesaid, the Bank shall notify me of the suspension, stating the reason for the suspension. The aforesaid notwithstanding, the Bank may suspend the use, also before giving notice or a specification of the reason for the suspension, if provision of the notice or the reason may thwart the purpose for which the suspension is required.

Where the Means of Payment have been suspended by the Bank and the conditions for the suspension are no longer fulfilled, the Bank shall remove the suspension and notify me thereof.

In a case where the Means of Payment were issued also by an additional entity, such entity will also be entitled to suspend the Means of Payment or to cancel the suspension, as the case may be, as aforesaid.

35.6. DDAs

I will be entitled to submit an application to the Bank to grant authorization to debit my Account, directly or through the Beneficiary. I am aware that in any such application, I will be entitled to cap the debit amount in Payment Transactions by virtue of the DDA and to determine the date of expiration of the DDA (these limitations shall hereinafter be referred to in this section as: the “**Limitations**”).

The Bank shall notify me within 5 Business Days from submission of the application as to whether my application was approved, stating in its response the Limitations regarding the transfer of the money to the Beneficiary, in the framework of the DDA, if any, and my right to cancel the DDA or a debit thereunder. If the application is submitted through the Beneficiary, the Bank’s notice will also be delivered to the Beneficiary.

Insofar as the Bank shall deny my application, the Bank shall notify me within 5 Business Days thereof, stating the reasons for the denial. If the application was submitted through the Beneficiary, the Bank’s notice shall be delivered also to the Beneficiary, although without the reasons, insofar as they relate to me only.

I undertake to regularly and continuously monitor and check all of the debits by virtue of DDAs that shall be approved by the Bank, and insofar as, in the course of the check, I shall discover any errors therein, I shall immediately give notice thereof to the Bank and provide the Bank with any and all information in my possession regarding such error.

I will be entitled to cancel a DDA at any time by notice to the Bank or to the Beneficiary. The Bank shall not

perform a Payment Transaction by virtue of a DDA that was cancelled, and the Beneficiary will not be entitled to demand performance of a Payment Transaction by virtue of a DDA that was cancelled, from one Business Day after the date of receipt of the notice. I am aware that if I deliver the cancelation notice to the Beneficiary only, the Beneficiary is obligated to give notice thereof to the Bank no later than two Business Days after receipt of the notice by the Beneficiary, and so long as the notice does not arrive at the Bank, the Bank will be unable to prevent a Payment Transaction by virtue of the DDA. Therefore, the Bank has advised me to in any event deliver the notice of the cancelation also to the Bank.

A DDA that has not been used for 24 months from the date of approval of the DDA or from the date of the last debit made by virtue thereof, whichever is later, shall expire. Notice thereof shall be delivered to me by the Bank.

I will be entitled to cancel a debit with which I shall be charged by virtue of a DDA by notice to the Bank, provided that my said notice shall be delivered to the Bank no later than 3 Business Days from the date of the debit. Insofar as the notice shall be timely delivered, the Bank shall reimburse me with the amount of the debit within one Business Day from the date of receipt of the notice, at the value thereof on the date of the debit.

The Bank will be entitled to cancel a DDA or to not perform a Payment Transaction according to the Beneficiary’s request by virtue of a DDA, on reasonable grounds, provided that it shall immediately notify me thereof and state the reasons therefor.

If I request to apply Limitations to the DDA and the Bank debits my Account in excess of the Limitations, the Bank shall reimburse me with the amount with which I shall be charged in excess of the Limitations, no later than one Business Day after the date on which the Bank discovers the excess

or the date on which I shall notify it thereof, whichever is earlier.

Where the Bank shall have allowed me to determine Limitations in a DDA, then in a case where the amount with which I shall be charged according to the Beneficiary's request shall exceed the amount I could reasonably expect to be charged considering previous debits made by virtue of such DDA and in the circumstances, I will not be entitled to receive a reimbursement from the Bank in respect of this debit.

35.7. Conditioning of my rights pursuant to the Law

In this section "**Business**" – a Customer whose annual sales turnover exceeds ILS 30 million or another higher amount to be determined by the Minister of Finance in an order. In this section "annual sales turnover" means – the sum of the income from any source that was received in the previous fiscal year, in accordance with the Customer's annual financial statements for the previous fiscal year. Insofar as no financial statement shall have been prepared for the previous fiscal year, or this data does not appear in the financial statement, the annual sales turnover will be determined in accordance with evidence that shall be provided to the Bank to its satisfaction.

Insofar as the Customer is a Business, as defined above, Section 12 of the Law regarding information on the date of the transfer of money to the Beneficiary's credit shall not apply, as well as the provisions of Chapter F, Sections 24-32 of the Law regarding abuse of a Means of Payment, and the provisions of Subsection 35.4.3 and the provisions of 35.8(a) and (d) and 35.9(a) and (e) of this contract shall not apply.

35.8. Responsibility for Payer Payment Services

Insofar as the Customer is the Payer, the Bank's responsibility as the provider of the Payer Payment Services, will be as follows:

35.8.1. The Bank will be responsible to me for performance of the Payment Instruction that shall be given by me accurately, so long as the provider of the Beneficiary Payment Services shall not have received the money transferred in the framework of the Payment Transaction. The money shall be transferred in full by the Bank with no deduction of fees.

35.8.2. If I approach the Bank regarding an error in the performance of a Payment Transaction, including non-performance thereof, the Bank will inquire into the matter and inform me of the results of the inquiry, within a reasonable period of time in the circumstances.

Where the Bank learns, following an inquiry according to this section or otherwise, that an error has occurred as aforesaid, and that it is responsible for the error, it shall remedy the error on the date on which it learns thereof, at its value on the day on which the debit or credit would have been performed, but for the error. Where the Bank was not responsible for the error, it shall take reasonable measures in order that the provider of the payment services that is responsible for the error shall remedy the same.

The Bank shall compensate or indemnify me, upon my request, due to any damage or expense caused to me due to an error as stated in this section; where the Bank was not responsible for the error, it shall take reasonable measures in order that the provider of the payment services that is responsible for the error shall indemnify or compensate me.

35.8.3. In this section, “unique identification code” – a combination of letters, numbers, symbols or another unique identifier which the provider of the payment services shall have determined that its customer is required to provide in order to ensure positive identification of him or of another or of the Payment Account of either of them, for the purpose of performance of a Payment Transaction.

(a) A Payment Transaction that was performed based on a unique identification code of the Beneficiary which was provided by me, whether it was provided alone or together with additional details, shall be deemed as a transaction that was duly performed in terms of the Beneficiary’s identity.

(b) Where the unique identification code that I provided is wrong, the Bank and the provider of the Beneficiary Payment Services which relied on the said identification code shall bear no responsibility due to non-performance of the Payment Transaction or due to an error in the performance thereof, provided that such non-performance or error were caused due to such reliance; however, the Bank and the provider of the Beneficiary Payment Services shall use reasonable efforts to reimburse me with the money that shall have been transferred in the framework of the Payment Transaction, insofar as transferred, and in this context, the provider of the Beneficiary Payment

Services is obligated by law to deliver to the Bank the information required on the matter; where it is not possible to reimburse me with such money, the Bank shall transfer to me, per my request, the information in its possession that pertains to the Payment Transaction that was performed and which may assist me with restitution of the money, unless the Bank shall be barred by law from doing so.

35.8.4. **Abuse of a Means of Payment**

In this section:

“**Notice**” – notice of mine to the Bank regarding theft or loss of an Essential Component in a Means of Payment or of Abuse of a Means of Payment.

“**Abuse of a Means of Payment**” – use of a Means of Payment or an Essential Component thereof by a person who is not entitled to do so according to this contract.

“**Payment Transaction with a Deficient Document**” – A Payment Transaction for which there is no document as specified below attesting thereto:

- A document signed by me and which includes the Beneficiary’s identification details, an identification detail of mine or of the Means of Payment, the amount of the transaction and the date of performance thereof.
- An admissible institutional record, within the meaning thereof in the Evidence Ordinance [New Version], 5731-1971, which

documents the identity of the Payer giving the Payment Instruction via an Enhanced Verification Detail, and his consent to performance of the Payment Transaction.

Abuse of the Means of Payment; the amounts specified in this subsection are subject to updates, if any, pursuant to law.

35.8.4.1. I will not be responsible for Abuse of a Means of Payment that was committed after I delivered a Notice.

(b) The amount of the Payment Transactions actually performed in the course of the abuse.

35.8.4.2. I will be responsible for Abuse of a Means of Payment that was committed before I delivered a Notice, according to the lower of the following amounts:

35.8.4.3. The provisions of Subsection 35.8.4.2 above notwithstanding, I will be responsible for Abuse of a Means of Payment that is committed before a Notice shall have been delivered, and the limitation of responsibility according to this subsection shall not apply to me if the use of the Means of Payment was made after I provided the Essential Component in the Means of Payment to another person, all regardless of whether or not the use was made with my knowledge; however, the provisions of this subsection shall not apply upon the occurrence of one of the following:

(a) A fixed amount of ILS 75 plus ILS 30 per day, from the date on which I learned of the theft or the loss of the Essential Component in the Means of Payment or of the Abuse of the Means of Payment, until the date of delivery of the Notice; the aforesaid notwithstanding, if I shall deliver the Notice within 30 days from the date abuse was first committed, I will not be responsible for an amount exceeding ILS 450.

a) The Essential Component was provided to the other person in reasonable circumstances for purposes of safekeeping only or was provided to a Beneficiary for the purpose of the giving of a Payment Instruction through the Beneficiary;

The date of the Notice shall not be included in the count of the days according to this paragraph, if the Notice was delivered on the same day on which I learned of the theft or loss of the Essential Component or of the

b) The abuse was committed after the Essential Component that was provided to

- the other person was stolen from or lost by such person.
- 35.8.4.4. The provisions of Subsection 35.8.4.2 and 35.8.4.3 notwithstanding, I will not be responsible for abuse of the Means of Payment according to these subsections if the Bank does not allow me to deliver a Notice or to cancel the Means of Payment, at any time, in a reasonable manner.
- 35.8.4.5. Limitation of the responsibility according to this contract will apply only in a case where I act in good faith. In a case where I act with fraudulent intent in relation to Abuse of a Means of Payment, I will be responsible for the abuse, and limitation of the responsibility under this contract will not apply.
- 35.8.4.6. If I terminate this contract according to Section 35.3 or return the Means of Payment to the Bank, I will not be responsible for abuse that is committed with the Means of Payment after the date of such termination or return.
- 35.8.4.7. Where use of the Means of Payment shall have been suspended, I will not be responsible for abuse that is committed in the period of such suspension.
- 35.8.4.8. In a case where I am charged due to a Payment Transaction that was made in abuse of a Means of Payment, the Bank shall reimburse me with the amount of the charge, except the amount with which I shall be charged as specified in Subsection 35.8.4.2(a), at the value thereof according to the date of the charge, no later than 8 Business Days after the date I notified it of the abuse.
- 35.8.4.9. The provisions of Subsection 35.8.4.8 above notwithstanding, the Bank will be entitled to charge me with an amount refunded to me if it learns that the use was made as stated in Subsections 35.8.4.3 or 35.8.4.5 above, after 15 days from the date that it shall have delivered to me reasoned notice thereof. Insofar as I shall request, the Bank shall deliver to me also copies of documents in its possession in this regard. The provider of the payment services will be entitled to immediately charge me with the payment, concurrently with delivery of the notice, in a case to which Section 35.8.4.5 above applies.
- 35.8.4.10. The Bank will not be liable for damage if it acted in good faith and without negligence according to my Notice as stated in Subsection 35.8.4.8.
- 35.8.4.11. In a case where I give a Payment Instruction through a Beneficiary and the amount of the charge shall be increased without authorization, the Bank shall reimburse me with the difference between the amount with which I was charged and the amount to which I committed in the Payment Transaction, at

the value thereof according to the date of the charge, no later than 8 Business Days from the date that I gave it notice thereof.

35.8.4.12. The provisions of Subsection 35.8.4.11 above notwithstanding, the Bank will be entitled to charge me with the amount with which I was reimbursed, in whole or in part, at the value thereof on the date of the charge, if it transpires that I committed to pay also the amount of the difference or part thereof, after 15 days from the date that it shall have delivered to me reasoned notice thereof. Insofar as I shall request, the Bank shall deliver to me also copies of documents in its possession in this regard.

The Bank will not be liable for damage if it acted in good faith and without negligence according to my Notice as stated in Subsection 35.8.4.11.

In a case where I am charged due to a transaction with a deficient document and I notify the Bank, within 30 days from the date that it notified me of the charge, that I did not perform the Payment Transaction or that the charge amount was increased without authorization, the Bank shall reimburse me with the amount of the charge or the amount of the difference, at the value thereof on the date of the charge, as the case may be, within 8 Business Days from the date that I gave it notice thereof, and the provisions of Subsections 35.8.4.9 and 35.8.4.12 shall apply *mutatis mutandis*.

35.9. Responsibility for Beneficiary Payment Services

Insofar as the Customer is the Beneficiary, the Bank's responsibility as the provider of Beneficiary Payment Services will be as follows:

- a. Where the Bank shall have received money transferred in the framework of the Payment Transaction, the Bank will be responsible to me for performance of the transfer of the money to me accurately, on the same Business Date on which the money was transferred to the Bank, or on another reasonable date agreed between us. The money shall be transferred in full, with no deduction of fees, unless agreed otherwise.
- b. Where the Payer shall have given a Payment Instruction through me or I shall have requested performance of a Payment Transaction by virtue of a DDA, and the giving of the Payment Instruction or the request as aforesaid were made through the Bank, the Bank will be responsible to me for the transfer of the Payment Instruction or the request as aforesaid, as the case may be, accurately, to the provider of the Payer Payment Services.
- c. If I approach the Bank regarding an error in the performance of a Payment Transaction, including non-performance thereof, the Bank shall inquire into the matter and inform me of the results of the inquiry within a reasonable period of time in the circumstances.

Where the Bank learns, following an inquiry according to this section or otherwise, that an error occurred as aforesaid, and that it is responsible for the error, it shall remedy the error on the date on which it learns thereof, at the value thereof on the day on which the debit or credit would have been performed, but for the error. Where the Bank was not

responsible for the error, it shall take reasonable measures in order that the provider of the payment services that is responsible for the error shall remedy the same.

The Bank shall compensate or indemnify me, upon my request, due to any damage or expense caused to me due to an error as stated in this section; where the Bank was not responsible for the error, it shall take reasonable measures in order that the provider of the payment services that is responsible for the error shall indemnify or compensate me.

- d. In this section, “unique identification code” – a combination of letters, numbers, symbols or another unique identifier which the provider of the payment services shall have determined that its customer is required to provide in order to ensure positive identification of him or of another or of the Payment Account of either of them, for the purpose of performance of a Payment Transaction.

(1) A Payment Transaction that was performed based on a unique identification code of mine, whether it was provided alone or together with additional details, shall be deemed as a transaction that was duly performed in terms of my identity.

(2) Where the unique identification code that was provided is wrong, the provider of the Payer Payment Services and the Bank, which relied on the said identification code, shall bear no responsibility due to non-performance of the Payment Transaction or due to an error in the performance thereof, provided that such non-performance or error were caused due to such reliance; however, the provider of the

Payer Payment Services and the Bank shall use reasonable efforts to reimburse the Payer with the money that shall have been transferred in the framework of the Payment Transaction, insofar as transferred, and in this context, the Bank shall deliver to the provider of the Payer Payment Services the information required on the matter.

- e. Where abuse has been committed of a Means of Payment and the Payment Instruction was given through me, the Bank and the provider of the Payer Payment Services are entitled to charge me due to any amount that was reimbursed to the Payer or due to other expenses that they incurred due thereto, only if none of the following shall have occurred:

- *Use was made of an Enhanced Verification Detail for the giving of the Payment Instruction;
- *Use of an Enhanced Verification Detail for the giving of the Payment Instruction is not possible for such type of Means of Payment;
- *The Bank and the provider of the Payer Payment Services did not allow me to request use of an Enhanced Verification Detail for the giving of the Payment Instruction.

The defenses specified in this subsection above shall not apply in a case where the abuse was committed by me.

- f. In a case where I shall be charged with reimbursement as stated in Subsection (e) above, I give my consent to the Bank's being entitled to perform the reimbursement by way of setoff of money to which I am entitled from the Bank.

35.10. Liability and risks – general

- a. All of the provisions and conditions pertaining to credit cards, as a Means of Payment, are regulated in the credit card contract, which is a contract between a customer and the credit card issuer (the “**Credit Card Contract**”). Nothing stated in the provisions of this contract derogates from the provisions of the Credit Card Contract, including with respect to the credit card issuer’s responsibility, as provider of payer or beneficiary payment services, as the case may be. In the case of a discrepancy between the provisions of this contract and the Credit Card Contract, the provisions of the Credit Card Contract shall prevail.

- b. The Bank has brought to my attention that:

Use of a Means of Payment, a Payment Account and a DDA entails various risks, as specified, *inter alia*, in Sections 35.8 and 35.9 and in Annex D.

Strict compliance with the Bank’s instructions which are specified, *inter alia*, in this contract, may help reduce and mitigate the risks.

In addition, delivery of an immediate report to the Bank on any suspicion of Abuse of a Means of Payment, a Payment Account or a DDA, or in any case of loss or theft of a Means of Payment or an Essential

Component in a Means of Payment is of considerable importance. With respect to a Means of Payment which is a credit card, delivery of a report as aforesaid first to the credit card company for performance of immediate action to mitigate the risks and the abuse of the credit card, is of considerable importance.

In view of the aforesaid, I undertake to make every effort to deliver notice as recommended by the Bank.

- c. The Bank will be exempt from any liability for any damage or loss which may be caused to me, directly or indirectly, upon use of Means of Payment that are bank cards / credit cards / automatic self-service kiosks, as a result of any faults in ATMs or similar machines of other operators or in any means of communication (provided that the fault is beyond the Bank’s control and the Bank made a reasonable effort to prevent the same) or due to a shortage of banknotes.
- d. I will be liable for any loss, damage or expense that shall be caused to an ATM or to the Bank due to negligent or wrong use or use other than in accordance with the instructions that shall be made by me or by another using a bank / charge / credit card.

Summary of the material terms and conditions of the payment services contract pursuant to Chapter C of the Law		
Identity of the provider of the payment services	Mizrahi Tefahot Bank Ltd.	
Character and nature of the service	Performance of a payment transaction in accordance with a payment instruction given via a means of payment.	
The means of payment, the chain of actions which constitute the means of payment, the manner of use and the essential component:		
The means of payment	The chain of actions which constitute the means of payment , and the manner of use thereof	Essential component
Bank card – A bank card intended for the withdrawal of cash via ATMs , including a Barak card as specified in Annex C	Passing the card through the ATM reader, entering the PIN and performing the cash withdrawal transaction .	The bank card and/or the details thereof and/or the PIN.
Charge / credit card – A card intended for the withdrawal of cash via ATMs and for payment for the purchase of assets and services without immediate payment	Withdrawal of cash– passing the card through the ATM reader, entering the PIN and performing the transaction. Payments – presentation of the card and/or the PIN and/or the details of the card ,all as specified in the credit card contract between the customer and the issuer, according to the type of card issued to the customer.	The credit card and/or the details thereof and/or the PIN.
Teller counter	Identification of the customer by the banker and performance of the deposit / withdrawal of cash or money transfer by the banker in the Bank's systems.	Identity document and/or personal acquaintance with the customer. The Bank may additionally require also an enhanced verification detail.
Telephone / banking call center	Identification of the customer by the banker and performance of a money transfer by the banker in the Bank's systems.	Voice authentication and/or security questions. The Bank may additionally require also an enhanced verification detail.
Secure correspondence	Receipt of an instruction from the customer via secure e-mail and performance of a money transfer by the banker in the Bank's systems.	Username and password. The Bank may additionally require also an enhanced verification detail.
Fax	Identification of the customer and performance of a money transfer by the banker in the Bank's systems.	A signature compatibility check against a specimen signature in the Bank's possession. The Bank may additionally require also an enhanced verification detail.
Website) including EDI / (app	The customer's entry into the website / app and performance of a money transfer independently by him .	On the website - username and password. On the app on the customer's mobile telephone – password or biometric identification.
Business file	Filling out of an application form, leaving of the file at the counter and performance of a money deposit transaction or payment to a beneficiary by a payment voucher by the banker in the Bank's systems.	Verification of the customer's account details and his entitlement to business service ,and a signature compatibility check against a specimen signature in the Bank's possession.

Automatic self-service kiosk	Passing a bank card or credit card through an ATM reader where possible and entering the PIN and performance of the deposit transaction by the customer in the Bank's systems.	Bank card and/or credit card and/or the PIN.
Term of the engagement in the payment services contract	The term of the engagement is indefinite and will continue until I or the Bank give notice of termination thereof in accordance with Section 35.3.	
Dates of performance of the service	<p>Payer payment services - the dates for performance of payment instructions will be in accordance with the dates of which the Bank shall inform me on the date of receipt of the instruction.</p> <p>Beneficiary payment services – the transfer of money to the beneficiary shall be performed immediately or on another reasonable date that was agreed.</p>	
Fees for payment services	The Bank shall collect fees for payment services, as specified in the Bank's fee pricelist posted on the Bank's website and at branches.	
Terms and conditions of the responsibility for the service	<p>The Bank provides the means of payment for the personal use of the customer, and the transfer of the means of payment to another is prohibited.</p> <p>This contract determines various arrangements regarding division of the responsibility between the payer, the beneficiary and the entities that provide them with payment services, as the case may be, with respect to the means of payment and performance of the payment instructions. In addition, various cases are specified where the customer will be entitled to compensation or indemnity. In addition, the contract specifies circumstances, according to the law, where the division of the responsibility changes.</p> <p>The customer undertakes to safeguard the identification details, the details of the means of payment and the details of the essential component, insofar as shall be provided to him, and not to deliver or disclose the same to another, by an act or omission.</p> <p>The customer undertakes to deliver to the Bank, for the purpose of performance of a payment transaction – correct and accurate identification details, means of payment details and essential component details.</p> <p>The customer undertakes to immediately notify the Bank of any suspicion of theft, loss or abuse, including use by another, of any means of payment.</p> <p>For a specification, see Sections 35.8 - 35.10.</p>	

<p>Below is a specification of the cases where payment instructions may be cancelled and the dates on which it is possible to cancel the same ,as well as a specification of the cases where it is not possible to cancel payment instructions</p> <p>The dates stated are subject to the reasonable technological limitations that apply to the Bank</p>			
<div> <div>Payment transaction</div> <div>Means of payment as defined in this table above</div> </div>	The transfer of money deposited in one account to another account, provided that at least one of the accounts is a payment account	The deposit of cash in a payment account	The withdrawal of cash in a payment account
Bank card) as defined in the table above (N/A	N/A	Non-cancelable
Charge / credit card)as defined in the table above(N/A With respect to payment by credit card for the purchase of assets or services – in accordance with the terms and conditions determined in the credit card contract between the customer and the issuer.	N/A	Non-cancelable
Teller counter	Non-cancelable ,except transfers to another bank through a bank clearing center ,which may be cancelled until the end of the business day or the branch's closing time ,whichever is earlier.	Non-cancelable	Non-cancelable
Telephone / banking call center	Non-cancelable, except transfers to another bank through a bank clearing center, which may be cancelled until the end of the business day or the branch's closing time, whichever is earlier.	N/A	N/A
Secure correspondence	Non-cancelable, except transfers to another bank through a bank clearing center ,which may be cancelled until the end of the business day or the branch's closing time ,whichever is earlier.	N/A	N/A
Fax	Non-cancelable ,except transfers to another bank through a bank clearing center ,which may be cancelled until the end of the business day or the branch's closing time ,whichever is earlier.	N/A	N/A
Website) including EDI / (app	Non-cancelable, except transfers in foreign currency, which may be cancelled until the time of performance of the transfer by the banker.	N/A	N/A
Business file	N/A	Non-cancelable	N/A
Automatic self-service kiosk	N/A	Non-cancelable	N/A

Annex A

Conditions to giving instructions to a banker via means of communication

If I requested, and the Bank agreed that I give a banker an instruction, from time to time, for the performance of a banking service as specified below via telephone, facsimile, secure e-mail on the website / on the app of the Bank or other accepted means of communication that are used by the Bank (the “**Above Instructions**”), the following terms and conditions shall apply:

1. The terms and conditions of this annex supplement any condition included in any document signed by me.
2. Any banking transaction that shall be performed according to such an instruction will be valid as if I approved it in writing.
3. The provisions of this annex shall apply in connection with my instructions in the fields specified in Sections 3.1-3.4 below, insofar as they shall be chosen by me and the Bank agrees, in the “account opening application” or the “application for a change in the account”, and the Bank shall have agreed thereto:

3.1. Information

The delivery of information regarding all of my accounts and my assets that are held at the Bank.

3.2. Transactions

The banking transactions specified below:

3.2.1. Purchase, sale or conversion of a currency.

3.2.2. Purchase, sale or conversion of all types of securities.

3.2.3. Purchase, sale or performance of a transaction in a right or in another asset which is or will be customary to perform or to purchase from or through the Bank.

3.2.4. Performance of a deposit or withdrawal in a savings or fixed deposit and in a revolving credit deposit – as is customary and accepted at the Bank.

3.2.5. Receipt of credit.

3.2.6. Instructions in respect of checks.

3.2.7. Periodic charging of an account (including standing orders and direct debit authorizations).

3.2.8. Transfer to another account of mine at the Bank (if there is full identity between the accounts).

3.2.9. Certain administrative changes.

It is emphasized that the provisions of Section 3.2, including all of the sections thereof, shall not be interpreted as including the transactions specified in Sections 3.3 and 3.4.

3.3. Transfers to a third party

A transfer of money and/or assets to my account at another bank or to accounts of others, at any bank.

3.4. Activity in derivative financial instruments

In other words, performance of a forward transaction in a financial contract or commodity or in another right, as is accepted and customary to be made through the Bank.

3.5. Performance of any of the instructions specified in Sections 3.2-3.4 will be subject to my signing the conditions which regulate activity in the field contemplated in the instruction (if any).

4. I will recognize any amount that shall be recorded due to the performance of the Above Instructions and will pay the Bank, upon its first demand, any amount for which I shall be liable if the Account shall have a negative balance.

5. The Bank will be entitled:

- Not to perform the Above Instruction at all, or at a specific time.
- To impose additional conditions on performance of the Above Instruction.
- To cease, without prior notice, provision of a service according to the Above Instructions.

The Bank shall give me notice thereof as soon as possible.

6. The Bank will bear liability for damage that shall be caused to me due to the performance of an unauthorized transaction which was performed without my knowledge, consent or authorization, unless performance thereof was made possible due to my negligence. In the case of a payment transaction, the provisions of Section 35 shall apply.
7. An instruction shall be deemed as revoked if there is a lawful impediment to performance thereof.
8. I hereby waive any suit for indemnification or compensation or damage against the Bank Group, and the Bank Group will be exempt from any liability for any loss, damage or expense that shall be caused to me, also indirectly, as a result of a lack of understanding of any of the instructions or if there was an impediment to the performance thereof. The Bank will not be exempt if the damage, loss or expense were caused as a result of its negligence. In the case of a payment transaction, the provisions of Section 35 of the contract shall apply.
9. I am aware that it is not technically possible to cancel a power of attorney or signature power immediately and therefore my instruction for cancelation of a power of attorney or signature power will be

performed the next day or on another reasonable later date as shall be determined by the Bank from time to time. Until that time, I will bear the risk of the performance of an action by the person holding the power of attorney or signature power that were revoked. I shall indemnify the Bank for any loss, damage or expense that shall be caused thereto due to the action of the attorney or the authorized signatory whose authority to act in the Account was revoked, as aforesaid.

10. If I grant a power of attorney to another to act on my behalf in the Account, these terms and conditions shall apply also to the attorney.
11. The provisions of this annex shall bind me until I instruct the Bank in writing of termination hereof. After the termination, the provisions shall remain in effect only in relation to the period preceding the termination.

The provisions of this annex shall also bind anyone acting on my behalf, such as heirs and executors, trustees, receivers, liquidators.
12. The risks relating to use of these services, principles of data protection and protection of privacy that are recommended for implementation by the Customer in order to mitigate these risks, are presented in Annex D below.

Annex B

Subscription for arrangements for connection to the databases to obtain information and perform transactions

My subscription to the Databases shall be subject to the following terms and conditions:

1. Definitions in this annex:

1.1. **Database** - A repository for storing data via an automatic data processing system located at the Bank and/or at other bodies other than the Bank whose services the Bank uses for such purpose.

1.2. **Information** – data on the status of the Account or the conditions of maintenance thereof as being in the Database.

1.3. **Use of Information** – including duplication, disclosure, transfer and delivery thereof.

2. For the purpose of performance of transactions according to this document, I agree that any instruction of mine shall be deemed as having been given in writing.

3. Either one of married spouses who are joint account holders may alone charge their joint account, may subscribe to the service alone.

4.

4.1. I shall have access to the Databases via a secret password that I shall determine as a permanent password or which the Bank shall determine as a temporary password (the "**Password**") and/or other means of security.

4.2. I will keep the Password or other means of security secret and will not inform others thereof. I shall be subject to any liability if I fail to do so.

4.3. If I fail to change the Password at the frequency determined from time to time by the Bank, my access to the Database may be blocked.

5. The Bank shall determine from time to time what actions may be performed via means of communication to the Databases.

6.

6.1. As part of the "real time Mizrahi-Tefahot service" the Bank shall deliver to me, via means of my choosing: mobile telephone, e-mail and fax, and on dates that it shall choose, data regarding the status of my Account at the Bank, marketing, general or personal messages. The type of information and the frequency of the delivery thereof from time to time are determined by the Bank but may be modified by me, with the Bank's approval.

6.2. The Bank may deliver to me the said information via the mobile telephone company with which I am a subscriber, via a provider to be chosen by the Bank.

6.3. For the purpose of adoption of a decision as to whether to perform a banking transaction, I will not rely solely on information that is received via "real time Mizrahi-Tefahot service", since items of information may be received by me late, and even not at all.

7.

7.1. Performance of a transaction is contingent on the existence of an online connection of the Bank with the Database and on the Bank's approval.

7.2. The Bank does not undertake to provide me with 24-7 permanent and continuous online connection with the Database.

7.3. A record by the Bank of the content and date of my instructions in the framework of the transactions regulated in this document shall serve as admissible evidence of the content and date of such instructions. I will recognize any amount debited to my Account due to the performance of such instruction.

7.4. The Bank will bear liability for damage that shall be caused to me due to the performance of an unauthorized transaction which was performed without my knowledge, consent or

authorization, unless performance thereof was made possible due to my negligence. With respect to a payment transaction, the provisions of Section 35 of the contract shall apply.

7.5. An instruction shall be deemed as revoked if there is a lawful impediment to performance thereof. I assume in advance any and all risks, and mainly those deriving from an error in the delivery or understanding of instructions as aforesaid, since I am aware that the performance of transactions according to the Above Instructions, and particularly for transfers from the Account to accounts of others and for the performance of any type of future transactions (commodities, forward, etc.) entails risks and failures, *inter alia* as deriving from an error in the delivery of any of the Above Instructions for performance, including violation of bank secrecy, **all provided that the damage, loss or expense were not caused as a result of the Bank's negligence.** With respect to a payment transaction, the provisions of Section 35 of the contract shall apply.

8. In the performance of transactions, I shall comply with the instructions of use that have been or shall be delivered to me from time to time by the Bank or anyone on its behalf, all subject to:

- There being no legal or other impediment to performance of the transactions.
- Conditions that have been agreed with the Bank.
- Directives or instructions that shall be imposed in this regard from time to time by the competent authorities.

9.

9.1. The information that shall be provided to me on any query will be correct as of the date stated therein as the date of the last update. My balance on the books will be the balance in the Account as recorded in the Bank's Books as of the Business Day in respect of which the information is received. A current balance is a balance updated as of the moment of performance of the query and is a

conditional balance, that cannot be accepted as the balance on the books until the material processing is performed at the end of the Business Day on which the information is received.

9.2. I am aware that there are types of information that the Bank delivers to me – out of or through Databases whose update the Bank does not control, and such information shall be quoted by the Bank as it was received at the Bank.

10.

10.1. Each party may cancel this arrangement by written notice that shall be delivered to the other party:

- 14 days before the cancellation – at the Bank's initiative.
- 7 days before the cancellation – at my initiative.

10.2. The Bank will be entitled to cancel this arrangement immediately and without prior notice if an event occurs which entitles the Bank to accelerate a debt of a customer.

10.3. After my notice to the Bank of cancellation of the arrangement, the Bank will continue to charge my Account in respect of receipt of the information or performance of the transactions until the end of the calendar month in which my notice was received by the Bank. If the payment is determined according to the number of queries that were made, my Account shall be charged in accordance with the number of queries that were actually made until cancellation of the agreement.

10.4. With respect to a payment transaction, the provisions of Section 35 of the contract shall apply.

11.

11.1. In the event that the Customer is a corporation, the Password shall be delivered by the Customer only to persons who have been authorized on its behalf to use the same.

- 11.2. I am aware that the Bank has no ability to supervise the identity of the persons using the Password on my behalf. This arrangement is made between me and the Bank on the explicit condition that I and the persons authorized on my behalf are required to ensure to keep the Password secret.
12. Upon the Bank's demand or upon disconnection from the service, I will return any equipment that shall have been delivered to me by the Bank without payment, in working order, or alternatively, I will pay the Bank upon its demand the consideration for the equipment.
13. Any software, development, upgrade or processing of software that has been or shall be delivered to me, has been or shall be installed for me, belong to the technology division of Mizrahi-Tefahot Ltd., and no use shall be made thereof without receipt of its prior written consent thereto.
14. If I am a portfolio manager, this annex shall apply to the main (splitting) account in which I operate and to any account of my customers as the portfolio manager in the present or in the future, and subject to the provisions of the power of attorney that was or shall be granted to me by my customers.
15. The risks relating to use of these services, principles of data protection and protection of privacy that are recommended for implementation by the Customer in order to mitigate these risks, are presented in Annex D below.

Annex C

Provisions regarding a Barak card

If the Bank has agreed that I subscribe to the arrangement for use of a Barak or other bank card (in this annex: the **"Card"**) for receipt of information on the Account or for performance of transactions in the Account, the following terms and conditions shall apply:

1. The Card is a means of payment, and use thereof will be subject to the provisions of the Payment Services Law, 5779-2019 (in this annex: the **"Law"**), the provisions of Section 35 above (insofar as they are relevant to a means of payment which is a card), and the provisions of this annex.
2. The Card is intended for use in a device such as the ATM of the Bank or of any entity with which the Bank has reached an agreement, which is used to charge the Customer's account in respect of receipt of a service that is provided or shall be provided in the future via the Card (all of these devices shall hereinafter be referred to in this annex as the **"ATM"**).

Any service that is specified above which is available to the Customer via the ATM shall hereinafter be referred to in this annex as: **"Automated Bank Services"**.
3. Use of Automated Bank Services
 - 3.1. The actions that may be performed in an ATM via the Card (with the exception of a Card that has been limited to receipt of information only) will be:
 - Withdrawal of cash from the Account.
 - Receipt of information on the Account balance.
 - Any additional action that shall be determined from time to time by the Bank.
 - 3.2. Upon use of Automated Bank Services I shall comply with instructions that have been and shall be delivered to me from time to time.
 - 3.3. I will not withdraw cash from the Account and will not perform another action as specified above which exceeds the overdraft facility approved for me by the Bank. I will not withdraw any amount which exceeds the approved amount at the time of the withdrawal according to the Bank's instructions of use or according to the Bank's notices to me, in any manner that it shall deem fit.
- 3.4. The Bank will debit and credit my Account on the basis of the ATM's records, and the record in the Bank's Books shall constitute admissible proof for transactions that shall be performed by me in the ATM.
4. The Card will be supplied to me with a closed envelope containing a PIN (in this annex: the **"PIN"**). I undertake that the PIN will not be disclosed to anyone but me. The PIN is an **"essential component"**.
5. The Card
 - 5.1. The Card is the property of the Bank and is provided for my use only, and I undertake to safeguard it and I shall not transfer it to another.
 - 5.2. In a case where the Customer is a corporation:
 - The Card is provided for the use of persons who are duly authorized – or persons whom the corporation empowers – to bind the corporation by his signature separately, and whose details shall be delivered to the Bank in a manner acceptable to the Bank.
 - The corporation undertakes to immediately give written notice to the Bank of cancelation of the right of any person authorized or permitted to bind it, and to attach to the notice the Card of the person whose right was canceled as aforesaid.

So long as notice shall not have been delivered of the cancelation, the Bank may continue to charge the Account and I hereby waive any claim in

connection therewith and undertake to indemnify the Bank for any damage that shall be caused thereto due to cancelation and/or unauthorized use of the Card by the authorized representatives of the corporation according to these terms and conditions.

- 5.3. I shall return the Card to the Bank according to its first demand, without the need to give reasons.
- 5.4. The Bank will be entitled to suspend the use of the Card, if the same is required pursuant to the provisions of any law and on reasonable grounds.
- 5.5. With respect to a payment transaction, the provisions of Section 35 of the contract shall apply.
6. Exceptions to the Bank's liability with respect to information

If the Card leaves my control, and information reaches a person who was not authorized to receive the same via the Card, I exempt the Bank Group from liability for damage that shall be caused to me, and from the duty of liability or secrecy pursuant to the Protection of Privacy Law, 5741-1981 or any other law which is similar thereto or which shall replace it.

7. (Intentionally omitted)
8. In a joint account, each one of the account holders may receive from the Bank a Card and a PIN of his own.
9. I will be entitled at any time to return the Card that is in my possession to the Bank.
10. The decision regarding the issuance of the Card, cancellation thereof, provision or suspension of any service through the Card, is subject to the Bank's discretion, provided that the Bank shall have given me notice thereof.

Annex D

Explanation regarding the risks in direct banking, principles of data protection and protection of privacy

We at Mizrahi-Tefahot Bank invest considerable efforts and use advanced technological means for the purpose of securing availability, privilege, integrity and reliability of the assets and the IT systems of the Bank and its customers.

The communications banking field at the Bank has been certified for Information Security Management Standard ISO 27001. The standard stamp, which was granted on behalf of the Standards Institution, attests to compliance with strict information security requirements.

The Bank carries out proactive preventive activity which is based on risk assessment and management, and preparedness in the face of developing threats as well as implementation of security means.

Information security focuses, *inter alia*, on the following aspects:

- Development of advanced capabilities for handling cyber threats.
- Ensuring protection of the customer's privacy and bank secrecy.
- Risk management including monitoring, analysis and processing, risk assessment, response and control.
- Awareness and informational activity.

The main risk in the use of direct banking services is customer fraud and theft of account identification details for the purpose of performance of transactions in his account or for the receipt of information on the account. In order to mitigate the risk and protect the customers' data and accounts, we recommend that each one of our customers take the following security steps:

- Make sure to choose a complex password that is hard to guess.
- Do not keep the password in a manner that jeopardizes its secrecy.
- Do not deliver the password to anyone else.
- Do not connect to your bank account from a computer or mobile device that is not yours.
- Do not click on links from unidentified entities.
- Install current antivirus software on your computer.

Annex E Privacy Policy

Dear customer,

Mizrahi Tefahot Bank Ltd. respects your privacy and deems protection thereof to be of significant importance. The Bank makes considerable efforts in order to protect the information provided by you, and takes many measures to protect your privacy and secure the information. It is important to us that you understand what information about you is collected by us in the framework of the banking services that you use or in connection therewith, what we will do with this information and with whom we may share it. We shall describe all of the aforesaid herein in order that you will be able to decide whether you wish to receive banking services from us. The document is written in the masculine gender for the sake of convenience only, but is intended for all genders.

The privacy policy specified herein applies to you if you are an individual (other than Sections 6-7 that apply to both individuals and corporations).

1. Who are we and how do you contact us?

Mizrahi Tefahot Bank Ltd. (the "Bank") holds a license to engage in banking in Israel. You can always contact the Protection of Privacy Officer at the Bank with any question pertaining to this privacy policy or the manner in which we use information about you, in one of the following ways:

The Protection of Privacy Officer

Mizrahi Tefahot Bank Ltd. – Head Management

13 Abba Hillel Silver St., Lod 7129463

Fax: 076-8622945

E-mail: privacy@umtb.co.il

2. What is the significance of provision of the information?

Provision of the information is dependent on your free consent and wish and is not required by law. However, without the requested information, we may not be able to provide you with the banking services for which you approached us, since the law requires the Bank to inquire into and document certain data as a condition to the opening and management of an account.

3. What information will we request from you?

We shall receive from you information that you deliver to us at your own initiative, and information that shall be collected about you when you use the Bank's services or you request to use the same. Such information will be kept by us as the banker deems essential to one or more of the purposes specified below:

- From time to time, such as, for example, when you approach us for the first time to receive banking services, you will be asked to provide information that includes, *inter alia*, your personal details (name, occupation, address and I.D. number and your contact details), your income and printouts from other banks where you banked in the past, and other relevant information;
- From time to time you may provide our bankers with other personal information, such as, for example, information about your marital status or health;
- From time to time we shall request information about your family members, including their occupation as well as identifying and authenticating details that are required, *inter alia*, from the credit card company that you have chosen or your loyalty program (such as mother's maiden name);

- From time to time we shall require information that statutes and other laws, such as those concerning prevention of money laundering and terror financing, require us to collect, in order to understand your sources of finance and the holders of the rights in the money;
- From time to time, when you request additional banking services from us, such as credit facilities, loans or mortgages, we shall request additional information from you that we shall require, such as, for example, economic information (pay slips, information about assets), your reports to Income Tax in the years preceding the application, and more;
- For purposes of identification and prevention of fraud, we sometimes collect biometric information such as facial images and voice characteristics;

In addition, upon use of the Bank's services we shall collect -

- Information on the transactions that you perform vis-à-vis the Bank – from the transactions in your account to guaranties that you have given for liabilities of others or you have received from them;
- Information on your transactions via various channels – at the branch, by telephone, ATMs, the website, apps, SMS channel, and all of the other channels that provide you interfaces with the Bank. Such information may include the pages you have viewed, the sources from which you reached the Bank's website, how long you spend on the website or apps, your location, etc.

4. What are other sources of information?

Aside from information that you deliver to us directly or that is collected by us from the transactions that you perform at the Bank and in its systems, we shall receive, from time to time, information from other sources, including:

- Information from open sources such as the Population Registry or the Registrar of Companies in Israel;
- Information that is available on search engines, on social networks and on websites, on economic and other databases that the Bank uses *inter alia* for the prevention of money laundering and terror financing;
- Attachments that are received at the Bank from third parties, such as from the Execution Office, although we shall not use this information unless we receive separate consent from you;
- Credit data that is available to the Bank pursuant to law and includes information on repaid or delinquent loans, dishonored checks, etc. – however, we will not apply for a credit report on you unless we receive from you separate consent thereto;
- Other information that may be received from time to time at the Bank and is required by us in our opinion in order to provide the banking services and to achieve the purposes of this privacy policy;
- A specification of the transactions on bank charge cards in your possession.

5. How will we use the information?

We use the information -

- To manage your bank accounts, to decide which banking services we will provide you with (for example to decide whether to provide you with loans that you have requested), to provide you with our services in practice and to communicate with you;

- To offer you products and services which we believe may suit you. We shall send such offers to you from time to time via various channels through which we have an interface with you – in letters, via telephone, SMS, WhatsApp, e-mail, via the Bank's website or via the apps or other applications of ours. However, we shall not send you such offers via SMS or e-mail unless we receive from you separate consent thereto.
- To improve and enrich the services and content that we offer our customers. The information that we use for this purpose will mainly be aggregate or statistical information which does not identify you personally;
- For identification purposes as well as for the prevention of fraud, information security and risk management;
- To enforce the contractual engagement between you and the Bank, including to investigate disputes with you, if any;
- To fulfill the requirements of any law, regulation or other act of legislation that apply to the Bank. For example, according to law we are required to deliver to guarantors for your accounts and your loans information on your status and details regarding the credit agreement;
- To assist competent courts and authorities or any third party, insofar as shall be required of us by law;
- For purposes of research, service quality control, etc.;
- For any other purpose permitted by law.

6. With whom will we share the information?

Generally, we keep the information about you confidential. However, we will be entitled to transfer the information to other entities in the following cases –

- To subsidiaries of the Bank that are integrated in its services (for example the Bank's IT company which manages its databases) or to those whose services you shall explicitly request, such as an insurance agency operated by us;
- In a joint account or in an account in which there is a power of attorney, we shall transfer to your partners or your authorized representatives all of the information about you, and of course all of the information pertaining to such account, including a specification of charges on means of payment, such as credit cards;
- In an account in which there are guarantors, we shall transfer to them information about you and of course information pertaining to such account, insofar as the information is relevant to them as guarantors;
- When you, any of your partners in the bank account or your authorized representatives or authorized signatories in the account perform a transaction in the account which requires the cooperation of another bank or financial institution, we shall transfer to such bank or financial institution the information about you that is required for performance of the transaction;
- The Bank will be entitled, at any time, to disclose information about you to any body to which the Bank is considering assigning or transferring or sharing its rights or risks vis-à-vis you, subject to the information recipient's signing a confidentiality undertaking in language accepted at the Bank, unless it is subject to a professional and/or statutory or contractual duty of secrecy;

- If we receive a judicial order or demand by a competent authority instructing us to deliver your details or the information about you to such competent authority or to any other third party;
- To third parties that the Bank uses to provide you with its services, including printing houses, archive service providers, survey institutes, digital media management providers and more. They shall be entitled to hold, store and use the information for purposes of providing the services thereby, all subject to the Bank's instructions;
- To anyone to whom, according to the law, including foreign law, we are obligated to provide information about you;
- To any entity assisting or representing the Bank in any dispute, claim, lawsuit, demand or legal proceedings, if any, between you and us;
- If we organize the Bank's activity in a different framework, we shall change the Bank's legal structure, we shall merge with another body, or consolidate the Bank's activity with the activity of a third party, we shall transfer the information about you, and of course all of the information pertaining to such account, to such body, provided that it assumes vis-à-vis you the provisions of this privacy policy;
- To third parties, whether in Israel or overseas, including correspondents, custodians, authorities, stock exchanges and clearing houses that shall be used by us for purposes of providing the Bank's services or performing your instructions, or operating the services, according to the demand thereof. Note that any such third party shall handle the information according to its own policies and may provide information about you to companies in its group, external consultants, foreign regulatory authorities and other third parties, in Israel or overseas. We do not control the policies thereof or bear responsibility therefor;
- If the provision of information about you is intended to protect a vital public interest or a vital interest of the Bank or for purposes of conducting a legal proceeding.

If any of the information disclosure objectives specified above applies, the Bank shall take reasonable measures to limit the specifics of the information that shall be transferred to those required, in its opinion, in order to fulfil such objective.

7. Transfer of information outside of Israel

Generally, we shall keep your personal information in the Bank's databases in Israel, but the information may also be kept at select suppliers outside of Israel. Your consent to this policy also constitutes consent to keeping the information at such suppliers overseas, and to the transfer thereof outside of Israel, insofar as necessary.

8. How long will we keep the information?

We keep the information about you so long as your accounts are managed at the Bank. Thereafter we will keep the information about you for at least seven additional years. We may keep the information or part thereof for a longer period of time if we so require according to legal provisions that bind us or if we believe that the same is required to protect vital interests of the Bank. After expiration of the data retention period, we will either delete or anonymize it, i.e. the information will be kept by us but in a manner that does not reasonably allow you to be identified.

9. Your right to inspect and amend the information

Pursuant to the Protection of Privacy Law 5741-1981, you are entitled to inspect information about you that is held in the Bank's computerized databases. If you have inspected information and found that it is incorrect, incomplete, unclear or not up-to-date, you may contact us requesting amendment or deletion of the information. In addition, if the information in the company's databases is used for purposes of contacting you personally, you are entitled, pursuant to the Protection of Privacy Law, 5741-1981, to

demand in writing that the information relating to you not be used for direct marketing. Address any inquiry on these matters to us according to the details stated above.

10. General

This policy supplements the privacy policy on the Bank's websites and apps. This document does not derogate from the validity of written agreements that you have given to the Bank in the past.

You may request of the Bank, at any time – by contacting your banker at the branch – that information not be collected about you for purposes of customized communication for marketing purposes, and that no bank information processing shall be carried out for these purposes.

Customer’s signature:

I confirm my consent to these general terms and conditions, to the annexes hereto and to the privacy policy of the Bank (Annex E) which applies to me if I am an individual (other than Sections 6 and 7 of the privacy policy which shall also apply to a corporation).

I confirm by my signature my consent to the making of a payment services contract (Section 35 above) after the Bank shall have allowed me to peruse the same.

Date	Name	Signature
Account No. _____ Branch _____		

