

Dear Sir/Madam,

Re: **Update to Account Management General Terms and Conditions and to General Terms and Conditions for Credit Activity**

We wish to advise that, in accordance with the "Account Management General Terms and Conditions" (the "**General Terms**"), the Bank may, from time to time, modify the General Terms as well as the "General Terms and Conditions for Credit Activity in Israeli and Foreign Currency" (the "**General Credit Activity Terms**"), and may also add new terms.

The Bank has made various amendments on several issues in the "General Terms" and the "General Credit Activity Terms". Following are the main changes:

The General Terms:

- The definition of "Unauthorized Overdraft Interest / Maximum Interest Rate" in Israeli and foreign currency has been amended.
- A clarification has been added regarding the method of calculating interest.
- Reference to additional means of communication – unsecured e-mail and WhatsApp – has been added in Annex A: "Conditions for Giving Instructions to Bankers by Means of Communication" ("**Annex A**").
- In Annex A, the definition of transactions has been expanded.

The General Credit Activity Terms:

- Clarifications have been made to the cases in which loans or other credit may be charged with default interest or maximum interest, their calculation periods and the dates on which the interest is credited.
- An undertaking has been added for settlement of negative balances incurred due to unavoidable charges or due to the expiration, cancellation, or reduction of a current account credit facility.
- Clarifications have been added regarding the order of settlement of account charges, including trial costs and legal fees.
- Clarifications have been added regarding charging of the interest rate determined by a judicial authority.
- In the "General Credit Terms" for private customers, reference has been added to cases in which a customer wishes to cancel a bank guarantee issued at their request before its maturity date.
- In cases where the customer's credit account was credited on the one hand, while a different account of the customer was debited, which is or will be overdrawn, the sections regarding the Bank's option to charge interest higher than the default interest rate determined for the credit have been deleted.
- Amendments that shall apply to Israeli and foreign currency loans to be extended after the above amendments take effect:
 - It has been determined that the default interest rate for Israeli currency loans shall be in accordance with the provisions of the documents governing the loan.
 - A new definition has been added for foreign currency default interest.

All amendments entered into force as of March 15, 2026.

You may view and review the updated terms or the full specification of the changes and additions by the following methods:

- Visiting the Bank's website at the following link:
<https://www.mizrahi-tefahot.co.il/info-for-our-customers/bank-account-terms-1-26/>
- Contacting your personal banker and requesting the updated terms and the specification.