

**MIZRAHI TEFAHOT BANK LTD**  
No. with the Registrar of Companies: 520000522

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<b>To</b>	<b><u>Israel Securities Authority</u></b>	<b>To</b>	<b><u>Tel Aviv Stock Exchange Ltd</u></b>	T121 (Public)	Date of transmission: July 8, 2018
	<b>www.isa.gov.il</b>		<b>www.tase.co.il</b>		Ref: 2018-01-065314

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**Immediate Report**

**Explanation: This form may not be used if an appropriate form exists for the reported event.**

*Issue results must be reported under T20 and not under this form.*

*Bond rating or corporation rating reports must be submitted through Form T125.*

**Nature of the Event: Financial Sanction – Advice Law**

The reference numbers of previous documents on the subject:

Attached file *Immediate\_report\_directing\_customer\_to\_portfolio\_management\_isa.pdf*

The company *is not* a shell company, as defined in the TASE Rules and Regulations.

Date on which the corporation first learned of the event: *July 8, 2018 at 09:35.*

*The above report was signed by Ms. Racheli Friedman, Adv., Chief Legal Advisor and Mr. Doron Klausner, Chief Risk Officer*

The reference numbers of previous documents on the subject (reference does not constitute incorporation by reference):

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Securities of a Corporation Listed for Trading on the Tel Aviv Stock Exchange	Form structure revision date: July 1, 2018
Abbreviated Name: Mizrahi Tefahot	
Address: 7 Jabotinsky Street, Ramat Gan, 52520	Tel:03-7559720 Fax:03-7559923
E-mail: mangment@umtb.co.il	Company website: <a href="https://www.mizrahi-tefahot.co.il">https://www.mizrahi-tefahot.co.il</a>

Previous name of the reporting entity: United Mizrahi Bank Ltd

Name of the person reporting electronically: Feller Maya	Position: Bank Secretary	Name of Employing Company:
Address: 7 Jabotinsky Street, Ramat Gan, 52520	Tel: 03-7559720	Fax: 03-7559923
		E-mail: mangment@umtb.co.il

July 8, 2018

**To:**  
**Israel Securities Authority**

**To:**  
**Tel Aviv Stock Exchange Ltd**

Dear Sir or Madam,

Re: **Demand for the Payment of a Financial Sanction Per Article 38A of the Regulation of Investment Advice, Investment Marketing and Portfolio Management Law 5755-1995**

Mizrahi Tefahot Bank Ltd (hereinafter: “**the Bank**”) respectfully reports that:

1. On July 8, 2018, the Bank received a demand from the Israel Securities Authority (hereinafter: “**the ISA**”) for the payment of a financial sanction in the amount of ILS 220,000, due to a breach of Article 4 of the ISA’s directive regarding “The Direction of Customers to Receive Portfolio Management Services” – under which an investment advisor is prohibited from dissuading a customer seeking to engage a particular portfolio management company from doing so.
2. The sum of the sanction was determined after a 45% reduction due to the fact that the ISA did not find that the Bank had breached the obligations applicable thereto in the three years prior to the committal of the violations subject of the sanction; and since this is the first enforcement of such a violation.

Respectfully,

**Mizrahi Tefahot Bank Ltd**

By:  
Racheli Friedman, Chief Legal Advisor  
Doron Klausner, Chief Risk Officer