

T460

public

**MIZRAHI TEFAHOT BANK LTD**

No. with the Registrar of Companies: 520000522  
Securities of the Corporation Listed for Trading on the Tel Aviv Stock Exchange  
Abbreviated name: Mizrahi Tefahot  
7 Jabotinsky Street, Ramat Gan 52520, Israel  
Telephone: 972-3-7559207, 972-3-7559720; Fax: 972-3-7559913  
e-mail: [mangment@umtb.co.il](mailto:mangment@umtb.co.il)

Date of transmission: June 1, 2015

Reference: 2015-01-036783

To  
**Israel Securities Authority**  
[www.isa.gov.il](http://www.isa.gov.il)

To  
**Tel Aviv Stock Exchange Ltd**  
[www.tase.co.il](http://www.tase.co.il)

**Immediate Report on the Convening/Postponement/Cancellation of a Meeting**

Regulation 36B(a) and (d) and Regulation 36C of the Securities Regulations (Periodic and Immediate Reports), 5730-1970.

*Explanation: insofar as any of the matters on the meeting's agenda is the approval of a transaction with a controlling shareholder or the approval of an extraordinary offer, Form T133 or T138 should be filed, respectively, and thereafter a report should be filed on this form as well.*

The corporation announces: *the convening of a meeting*

The reference number of the last meeting notice is \_\_\_\_\_. It was called for \_\_\_\_\_  
Reason of postponement or cancellation: \_\_\_\_\_

*Explanation: the reference number of the previous meeting convening or postponement must be referenced.*

1. On *June 1, 2015*  
it was resolved to *convene a special meeting* -----  
to be held on *Tuesday, July 7, 2015*, at *10:00*  
at the following address: *7 Jabotinsky Street, Ramat Gan, 13<sup>th</sup> Floor*
2. The number of the security on the Tel-Aviv Stock Exchange ("TASE") entitling the holder thereof to participate at the meeting: *695437*.

Name of the entitling security: Mizrahi Tefahot (MZTF)

*Explanation: if a meeting is required for more than one security number, a separate T460 should be filed for any additional security. Reports listing additional security numbers would require the filing of a form of correction*

Type of security: *share*

The effective date for entitlement to attend and vote at the meeting: *June 8, 2015*.

3. On the agenda:  
*Explanation: the numbering of the agenda topics shall be according to the order of their appearance in the meeting convening report, if it is attached as a file.*

Issues/resolutions which will be raised at the meeting:

1

The issue/resolution and its details:

*To appoint Mr. Gideon Siterman as an External Director at the bank, per the meaning of this term in the Companies Law 5759-1999, for an additional tenure period of three (3) years from July 7, 2015, subject to the Supervisor of Banks not announcing his objection to the aforesaid appointment, or that he will announce his approval thereof.*

*Appointment/extension of an External Director's tenure as stated in Articles 239(B) or 245 of the Companies Law.*

*Notice: a value in this table sets the text of the shareholder's declaration in the internet voting system. For the conversion table, click here.*

Reference of the last report on the subject of approving a private proposal (T138):

\_\_\_\_\_

*Not a transaction between the company and a controlling shareholder therein as stated in Articles 275 and 320(F) of the Companies Law.*

Reference of the last report on the subject (T133): \_\_\_\_\_

Explanation for the article in the Companies Law, for the approval of the resolution:

\_\_\_\_\_

*Explanation: in a transaction with a controlling shareholder that does not fit any field in the law articles table, the field "Declaration: no appropriate field exists for classification" should be chosen, and "Yes" transaction with controlling shareholder. Only in the event that this is not a transaction with a controlling shareholder and no appropriate field can be found in the table, the relevant articles of the law by power of which the resolution is required must be detailed and explained.*

Disclosure of an amendment

Negligible amendment or one that only benefits the company compared with the text of a resolution detailed in a last report.

Off the agenda

The subject was discussed in a previous meeting

*Explanation: following the determining date, a resolution cannot be amended except an amendment of the transaction conditions that benefits the company.*

The resolution on the agenda is brought for a vote

Type of majority required for approval is not regular as detailed in Article 1.4 of the attached report on the convening of a meeting.

Attached is the report on the convening of the meeting.  
b\_52\_236\_immediate\_report\_-siterman\_appointment\_isa.pdf

4. Attached:  
Yes a voting paper  
No position notice

b\_52\_236\_voting\_paper\_-\_siterman\_appointment\_isa.pdf

No declaration of the candidate to serve as corporate director  
No declaration of an independent director  
Yes declaration of an External Director  
*Explanation: if a voting paper and/or a position notice are attached, they should be prepared in accordance with the provisions of the Companies Regulations (Voting in Writing and Position Notices), 5766-2005.*

Address of the voting website: \_\_\_\_\_  
*Explanation: this field must be completed if the company allows voting through the Internet, according to regulation 5(c) to the Companies Regulations (Voting in Writing and Position Notices) 5766-2005*

The e-mail address wherein the stock exchange member may produce the material it is required to produce to the company according to Regulation 4 (C) (1) to the Companies Regulations (Voting in Writing and Position Notices) 5766-2005: \_\_\_\_\_

5. The legal counting for holding the meeting:

*The legal counting for holding the general meeting will be constituted upon the presence, in person or by proxy, of two shareholders holding at least twenty five percent (25%) of the voting rights, within half an hour from the time set for the beginning of the meeting.*

6.  In the absence of a legal counting, the adjourned meeting will be held on July 14, 2015 at 10:00, at the following address: 7 Jabotinsky Street, Ramat Gan, Israel, 13<sup>th</sup> floor

No meeting shall be held in the absence of a legal counting.

7. The times and places where any proposed resolution which was not described in full in the above description of the agenda may be inspected:

*The full proposed resolution may be perused at the bank's offices, 7 Jabotinsky Street (13<sup>th</sup> Floor), Ramat Gan, Tel: 03-7559720, during standard business hours, until the time set for the meeting.*

*The above report was signed by Racheli Friedman, Adv., the bank's Chief Legal Advisor.*

Reference numbers of previous documents concerning the issue reported herein (the mention does not constitute inclusion by way of reference):

**2015-01-016317          2015-01-047593          2014-01-157959**

Previous names of reporting entity: United Mizrahi Bank Ltd.

Form updated on: April 15, 2015

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Name of the person reporting electronically: Friedman Rachel, Position held: Legal advisor,  
Name of employing company:  
7 Jabotinsky Street, Ramat Gan, 52520, Israel, Tel: 972-3-7559500, Fax: 972-3-7559655,  
Email: [mangment@umtb.co.il](mailto:mangment@umtb.co.il)

## Mizrahi Tefahot Bank Ltd.

Date: June 1, 2015

To  
**Israel Securities Authority**  
www.isa.gov.il

To  
**Tel Aviv Stock Exchange Ltd**  
www.tase.co.il

**Re: Immediate Report on the Convening of a Special General Meeting of the Bank's Shareholders, Pursuant to the Securities Regulations (Periodic and Immediate Reports) 5730-1970 (The "Reports Regulations"), Companies' Regulations (Notice And Announcement Regarding A General Meeting And A Category Meeting At A Public Company And The Addition Of An Issue To The Agenda) 5760-2000 (The "Companies' Regulations") and the Companies Law 5759-1999 (The "Companies Law")**

Pursuant to the Reports Regulations, the Companies' Regulations and the Companies Law, Mizrahi Tefahot Bank Ltd. (the "**Bank**") hereby announces the convening of a special general meeting (the "**Special Meeting**") on Tuesday, July 7, 2015, at 10:00, at the Bank's offices, 7 Jabotinsky Street, Ramat Gan, 13<sup>th</sup> floor.

**1. Issue on the Agenda and summary of the proposed resolution:**

**Appointment of an External Director**

**1.1 Nature of the issue:**

Appointment of an External Director at the Bank.

**1.2 Text of the proposed resolution:** To appoint Mr. Gideon Siterman as an External Director, per the meaning of this term in the Companies Law ("**External Director**"), for an additional tenure of three (3) years from July 7, 2015, subject to the Supervisor of Banks not announcing his objection to the aforesaid appointment, or that he will announce his approval thereof.

**1.3 The main facts which are required for the understanding of the issue:**

1.3.1 On June 25, 2009, the general meeting of the bank's shareholders approved the appointment of Mr. Gideon Siterman as an External Director at the Bank, according to the Companies Law. Mr. Siterman commenced his tenure as an External Director at the Bank on July 7, 2009, and was evaluated by the board of directors as a director with accounting and financial expertise, per its definition in the Companies' Regulations (Conditions and Criteria for Directors with Accounting and Financial Expertise and Directors with Professional Competence) 5766-2005 (the "**Regulations Regarding Expertise and Competence Criteria**").

1.3.2 On July 5, 2012, the general meeting of the bank's shareholders approved the appointment of Mr. Gideon Siterman as an External Director at the Bank, for an additional tenure of three (3) years, which commenced on July 7, 2012.

1.3.3 On February 19, 2015, Mr. Siterman was evaluated by the board of directors as also having professional competence according to the Regulations Regarding Expertise and Competence Criteria, and on June 1, 2015, the Bank's board of directors again reevaluated (for the sake of good order) Mr. Siterman as having accounting and financial expertise and professional

competence, per the Regulations Regarding Expertise and Competence Criteria.

- 1.3.4 It is proposed hereby to appoint Mr. Siterman as an External Director for an additional tenure period of three (3) years (a third tenure period), which will commence on July 7, 2015, subject to the Supervisor of Banks not announcing his objection to the aforesaid appointment, or that he will announce his approval thereof.

Mr. Siterman's nomination for an additional tenure period of three (3) years was proposed by the Bank's board of directors, according to Article 245(A1)(2) of the Companies Law.

- 1.3.5 The Bank hereby refers to the details required by Regulation 26 of the Securities Regulations (Periodic and Immediate Reports) 5730-1970 (The "**Periodic and Immediate Reports Regulations**") regarding the nominee, as included in the annual report for 2014 published on March 10, 2015 by the Bank (reference no. 2015-01-047593) (the "**Periodic Report**"), subject to the updates detailed below. This reference constitutes incorporation by way of reference of the information which is included in this regard in the aforesaid Periodic Report.

Below are the aforesaid updates with regard to what is detailed in the Periodic Report:

(1) In November 2014, Mr. Siterman began serving as the chairman of the board of directors at Axiom SL Ltd.

(2) On March 16, 2015, Mr. Siterman began serving as a member of the Bank's board of directors' credit committee.

(3) On March 16, 2015, Mr. Siterman stopped serving as a member of the Bank's board of directors' risk management committee.

- 1.3.6 Mr. Siterman, his wife and two of his children are Bank customers. Accordingly, on May 11, 2015, the Bank's audit committee confirmed, according to the Companies' Regulations (Matters that Do Not Constitute a Connection) 5767-2006 (the "**Regulations Regarding Matters that Do Not Constitute a Connection**") and in light of the facts presented before it, that the connections between Mr. Siterman, his wife, his aforementioned children and the Bank, as stated above, in the last two years, are not considered a "connection" per its meaning in Article 240 of the Companies Law; the audit committee further confirmed that insofar as a "connection" as aforesaid exists, these are only "negligible connections", both from Bank's point of view and from the points of view of Mr. Siterman, his wife and his aforementioned children, regarding which the terms established in Article 5 of the Regulations Regarding Matters that Do Not Constitute a Connection are applicable, and which therefore do not constitute a connection.

- 1.3.7 Mr. Siterman has given the bank a declaration, per Articles 224B and 241 of the Companies Law, attached as **Appendix A** to this immediate report.

- 1.3.8 It is hereby clarified that the remuneration which will be paid to Mr. Siterman as an External Director having accounting and financial expertise and professional competence will be in accordance with the resolution in respect of directors' remuneration, as provided in the immediate report released by the Bank on September 15, 2014 (ref. no. 2014-01-157959); this reference constitutes an incorporation by

way of reference of the information which is included in this regard in the said immediate report.

1.4 **The Majority Required for the Approval of the Resolution to Appoint An External Director, Per Article 1.2 Above**

An ordinary majority of the shareholders participating in the meeting, who are entitled to vote and voting thereat, without taking into account the abstaining votes and provided that one of the following applies:

- 1) The counting of the majority votes in the general meeting shall include a majority of the total votes of shareholders who are not controlling shareholders at the bank or have personal interest in the approval of the appointment, excluding personal interest which is not the result of connections with the controlling shareholder, of those participating in the vote; abstaining votes shall not be counted in the counting of those total votes of the aforesaid shareholders.
- 2) The total opposing votes among the shareholders mentioned in Article (1) has not exceeded two per cents (2%) of the total voting rights at the Bank.

A shareholder participating in the vote shall notify the Bank prior to voting at the meeting, or if the vote is through the voting paper – upon the voting paper, whether he has a personal interest in the approval of the appointment or not; should the shareholder fail to notify as such, he shall not vote and his vote shall not be counted.

In this report: "**Personal Interest**" is the personal interest of an individual in a company's action or transaction, including a personal interest of his relative or another corporation in which he or his relative are interested parties, excluding personal interest deriving merely from holding shares in a company, including the personal interest of an individual voting by proxy granted to him from another individual even if that individual has no personal interest, and likewise, a vote from a proxy on behalf of an individual holding personal interest be seen as a vote from the individual with the personal interest, and all whether the discretion regarding the vote is in the hands of the voter or not.

2. **Location and Time of the General Meeting's Convening**

- 2.1 The general meeting will convene on Tuesday, July 7, 2015, at 10:00, at the bank's offices, 7 Jabotinsky St., Ramat Gan, 13<sup>th</sup> floor (the "**Bank's Offices**"). If the meeting is postponed, it will be held on July 14, 2015, at the same time and place.  
The date for determining the eligibility of the shareholders to vote at the general meeting, as stated in Article 182 of the Companies Law, will be on June 8, 2015.
- 2.2 The legal counting for holding the general meeting will be constituted upon the presence, in person or by a proxy, of two shareholders with at least twenty five percent (25%) of the voting rights, within half an hour from the time scheduled for the beginning of the meeting.
- 2.3 A shareholder will be eligible to vote at the special meeting, in person or by a proxy. In addition, a shareholder will be eligible to vote at the special meeting, for approving the propositions as stated in Article 1 above, through a voting paper, as provided in Article 2.4 below.
- 2.4 Voting in writing will be performed on the second part of the voting paper, which is attached as **Appendix B** to this immediate report. The voting paper and the documents which are required to be attached thereto (the "**Attached Documents**"), as provided in the voting paper, should be delivered to the Bank's Offices by no later than 72 hours prior to the convening of the meeting. In this regard, the "time of delivery" will be the time on which voting paper and the Attached Documents will arrive at the Bank's Offices.

- 2.5 The document appointing a proxy to vote (the "**Letter of Appointment**") and the power of attorney under which the Letter of Appointment was signed (if any) or a copy thereof, certified to the bank's satisfaction, will be prepared and signed by the appointer or by his proxy who will be authorized therefor in writing, and if the appointer is a corporation, will be signed in such manner which will bind the corporation. The Letter of Appointment will be deposited in the Bank's Offices by no later than 48 hours prior to the time scheduled for the beginning of the meeting.
- 2.6 The address of the Israel Securities Authority's distribution site and the Internet site of the Tel Aviv Stock Exchange Ltd, on which the voting papers and position notices are posted:
- 2.6.1 The distribution site of the Israel Securities Authority:  
<http://www.magna.isa.gov.il/>;
- 2.6.2 The Internet site of the Tel Aviv Stock Exchange Ltd: <http://maya.tase.co.il/>
- 2.7 A shareholder is entitled to approach the Bank directly to receive the voting paper and the position notice therefrom.
- 2.8 An unregistered shareholder will be entitled to receive by e-mail, free of charge, a link to the voting paper and position notices on the distribution site from the TASE member through which he holds his shares, unless he has notified the TASE member that he does not wish to receive such link or that he wishes to receive voting papers by mail in consideration for payment, provided that the notice was given in respect of a specific securities account and on a date prior to the effective date; notice regarding voting papers shall also apply with regard to position notices.
- 2.9 A shareholder whose shares are registered with a TASE member may receive the ownership confirmation at a branch of the TASE member or via mail, for shipment fees only, if he has requested it. A request in this matter shall be given in advance regarding a specific securities account.
- 2.10 The bank's address for the delivery of voting papers and position notices: the Bank's Offices on 7 Jabotinsky Street, Ramat Gan.
- 2.10.1 The deadline for delivery of position notices to the bank: up to 10 days after the effective date (the "**Deadline for Delivery of Position Notices by the Shareholders**").
- 2.10.2 The deadline for delivery of the Board of Directors' response to the position notices: no later than 5 days after the Deadline for Delivery of Position Notices by the Shareholders.
- 2.11 The bank does not permit voting through the Internet.
- 2.12 2.12.1 Please note the provisions of Section 34(a1) of the Banking Law (Licensing), 5741-1981, whereby:

**"No person may come to an agreement with another regarding their manner of voting on the appointment of a director in a banking corporation or a banking holding corporation, including with respect to their manner of voting on the termination of his service, other than in accordance with a permit given by the Governor after consultation with the licensing committee; this provision will not apply to... and to a holder of a means of control who has entered into an agreement**



**with another, whereby the other person would vote in his name and on his behalf with no discretion, as instructed by the holder of the means of control, provided that if the other person himself holds a means of control in the banking corporation or the banking holding corporation, as the case may be, he may not vote in the name and on behalf of more than one other holder".**

2.12.2 From the aforesaid provisions, it arises, *inter alia*, that in respect of the appointment of the external director, as provided in Article 1 above, a proxy to vote who is also a shareholder in the Bank, will be entitled to vote in the name and on behalf of only one additional shareholder, as provided in the said provisions.

2.12.3 Furthermore, attention is directed to the Securities Authority guideline dated November 30, 2011, titled "Guideline Regarding Disclosure Of The Voting Manner Of Interested Parties, Senior Officers And Institutional Investors At Meetings" (the "Guideline"), whereby:

**An "Interested Party" (as defined in the Securities Law 5728-1968), a "Senior Officer" (As defined in Article 37(d) of the Securities Law, 5728-1968) and an "Institutional Investor" (as defined in Article 1 of the Control Regulations of Financial Services and Provident Funds) (Participation of a Managing Company in a General Meeting) 5769-2009, as well as the Joint Investment Trust Law 5754-1994) (together: the "Voter" or "Voters") voting at a meeting, in the resolution suggested in Article 2 of the agenda (appointment of an external director) will notify the bank prior to voting at the meeting of the details required according to Article 2(b) of the Guideline, and in the event that the voter has voted by proxy (i.e. through an empowered representative), the above details shall be provided in connection with the empowering party and the empowered party.**

**3. Details regarding the company's representative in respect of the treatment of this report**

Racheli Friedman, Adv., Chief Legal Advisor, Mizrahi Tefahot Bank Ltd., 7 Jabotinsky St., Ramat Gan, Tel: 03-7559500, Fax: 03-7559655

**4. Inspection of documents**

This immediate report and the full text of the proposed resolution may be inspected at the Bank's Offices, Tel: 03-7559720, during standard business hours, until the time scheduled for the meeting.

Respectfully,  
Racheli Friedman  
Chief Legal Advisor  
Mizrahi Tefahot Bank Ltd.

**Mizrahi Tefahot Bank Ltd.**  
**VOTING PAPER PURSUANT TO THE COMPANIES REGULATIONS**  
**(WRITTEN VOTING AND POSITION NOTICES), 5766-2005**  
**(THE "REGULATIONS")**

**Part One**

1. Name of Company: **Mizrahi Tefahot Bank Ltd.** (the "**Company**" or the "**Bank**")
2. The type of general meeting and the date, time and place thereof: special general meeting of all of the bank's shareholders. The general meeting shall be held on Tuesday, July 7, 2015, at 10:00, at the bank's offices at 7 Jabotinsky Street, 13<sup>th</sup> floor, Ramat Gan. Should the meeting be postponed, it shall take place on July 14, 2015, at the same time and place.
3. Details of the matters on the agenda, the appointment of an External Director at the Bank, which can be voted on through a voting paper, as detailed in the immediate report published by the Bank on June 1, 2015 (the "**Immediate Report**"):
  - 3.1 **Nature of the issue**: Appointment of an External Director at the bank, per the meaning of this term in the Companies Law 5759-1999 (the "**External Director**").
  - 3.2 **Text of the proposed resolution**: To appoint Mr. Gideon Siterman as an External Director at the bank, for an additional tenure of three (3) years from July 7, 2015, subject to the Supervisor of Banks not announcing his objection to the aforesaid appointment, or that he will announce his approval thereof.
  - 3.3 **The main facts which are required for the understanding of the issue**:
    - 3.3.1 On June 25, 2009, the general meeting of the bank's shareholders approved the appointment of Mr. Gideon Siterman as an External Director at the Bank. Mr. Siterman commenced his tenure as an External Director at the Bank on July 7, 2009, and was evaluated by the board of directors as a director with accounting and financial expertise, per its definition in the Companies' Regulations (Conditions and Criteria for Directors with Accounting and Financial Expertise and Directors with Professional Competence) 5766-2005 (the "**Regulations Regarding Expertise and Competence Criteria**").
    - 3.3.2 On July 5, 2012, the general meeting of the bank's shareholders approved the appointment of Mr. Gideon Siterman as an External Director at the Bank, for an additional tenure of three (3) years, which commenced on July 7, 2012.
    - 3.3.3 On February 19, 2015, Mr. Siterman was evaluated by the board of directors as also having professional competence according to the Regulations Regarding Expertise and Competence Criteria, and on June 1, 2015, the Bank again reevaluated (for the sake of good order) Mr. Siterman as having accounting and financial expertise and professional competence.
    - 3.3.4 Mr. Siterman's nomination for an additional tenure period of three (3) years was proposed by the Bank's board of directors, according to Article 245(A1)(2) of the Companies Law.
    - 3.3.5 Mr. Siterman currently serves on the Remuneration Committee, the Credit Committee and the board of directors' Audit Committee.

- 3.3.6 The Bank hereby refers to the details required by Regulation 26 of the Securities Regulations (Periodic and Immediate Reports) 5730-1970 (The "**Periodic and Immediate Reports Regulations**") regarding Mr. Siterman, as included in the annual report for 2014 published on March 10, 2015 by the Bank (reference no. 2015-01-047593) (the "**Periodic Report**"), subject to the updates detailed below. This reference constitutes incorporation by way of reference of the information which is included in this regard in the aforesaid Periodic Report. Below are the aforesaid updates with regard to what is detailed in the Periodic Report:
- (1) In November 2014, Mr. Siterman began serving as the chairman of the board of directors at Axiom SL Ltd.
  - (2) On March 16, 2015, Mr. Siterman began serving as a member of the Bank's board of directors' credit committee and stopped serving as a member of the Bank's board of directors' risk management committee.
- 3.3.7 Mr. Siterman, his wife and two of his children are Bank customers. Accordingly, on May 11, 2015, the Bank's audit committee confirmed, according to the Companies' Regulations (Matters that Do Not Constitute a Connection) 5767-2006 (the "**Regulations Regarding Matters that Do Not Constitute a Connection**") and in light of the facts presented before it, that the connections between Mr. Siterman, his wife, his aforementioned children and the Bank, as stated above, in the last two years, are not considered a "connection" per its meaning in Article 240 of the Companies Law; the audit committee further confirmed that insofar as a "connection" as aforesaid exists, these are only "negligible connections", both from Bank's point of view and from the points of view of Mr. Siterman, his wife and his aforementioned children, regarding which the terms established in Article 5 of the Regulations Regarding Matters that Do Not Constitute a Connection are applicable, and which therefore do not constitute a connection.
- 3.3.8 Mr. Siterman has given the bank a declaration, per Articles 224B and 241 of the Companies Law, attached as **Appendix A** to this immediate report.
- 3.3.9 It is hereby clarified that the remuneration which will be paid to Mr. Siterman as an External Director having accounting and financial expertise and professional competence will be in accordance with the resolution in respect of directors' remuneration, as provided in the immediate report released by the Bank on September 15, 2014 (ref. no. 2014-01-157959); this reference constitutes an incorporation by way of reference of the information which is included in this regard in the said immediate report.
4. **The Majority Required for the Approval of the Resolution In The Subject on the Agenda**
- 4.1 The majority required at the general meeting and at a postponed general meeting to approve the resolution detailed in Article 1 of the Immediate Report (i.e. according to Article 3.2 of this voting paper, above) is an ordinary majority of all the shareholders participating in the meeting, who are entitled to vote and voting thereat, without taking into account the abstaining votes and provided that one of the following applies:
- 4.1.1 The counting of the majority votes in the general meeting shall include a majority of the total votes of shareholders who are not controlling shareholders at the bank or have personal interest in the approval of the appointment, excluding personal interest which is not the result of connections with the controlling shareholder, of those participating in the vote; abstaining votes shall not be counted in the counting of the total votes of the aforesaid shareholders.

- 4.1.2 The total opposing votes among the shareholders mentioned in Article (1) has not exceeded two per cents (2%) of the total voting rights at the Bank.

A shareholder participating in the vote shall notify the Bank prior to voting at the meeting, or if the vote is through the voting paper – upon the voting paper, whether he has a personal interest in the approval of the appointment as detailed in Article 1 of the Immediate Report or not; should the shareholder fail to notify as such, he shall not vote and his vote shall not be counted.

In this report: "**Personal Interest**" is the personal interest of an individual in a company's action or transaction, including a personal interest of his relative or another corporation in which he or his relative are interested parties, excluding personal interest deriving merely from holding shares in a company, including the personal interest of an individual voting by proxy granted to him from another individual even if that individual has no personal interest, and likewise, a vote from a proxy on behalf of an individual holding personal interest be seen as a vote from the individual with the personal interest, and all whether the discretion regarding the vote is in the hands of the voter or not.

5. **Place and time during which the full text of the proposed resolution can be perused:** This immediate report released by the Bank in respect of the convening of the meeting and the full text of the proposed resolution may be inspected at the Bank's Offices, 7 Zabotinsky St., 13<sup>th</sup> floor, Ramat Gan, Tel: 03-7559720, during standard business hours, until the time scheduled for the meeting.
6. **Details to the best of the company's knowledge regarding the nominee to be appointed for external director service:** as detailed in Article 3 above.
7. **A shareholder shall be entitled to approach the bank directly for receiving the voting paper and the position notices.**
8. **The voting paper shall only be valid when accompanied with a certificate of title of the unregistered shareholder (i.e. a person to whom shares are registered with a TASE member, that are also included in the shareholders' register at the nominee company), or a copy of an ID card, a passport or a certificate of incorporation, in case that the shareholder is registered in the bank's books. This voting paper and all attached documents, as provided above, must be presented to the Bank no later than 72 hours before the time of voting.**
9. **The bank does not permit voting through the Internet.**
10. **The bank's address for the delivery of voting papers and position notices:** the Bank's Offices on 7 Jabotinsky Street, Ramat Gan.
- 11.
- 11.1 **The deadline for delivery of position notices to the bank:** up to 10 days after the effective date (the "**Deadline for Delivery of Position Notices by the Shareholders**").
- 11.2 **The deadline for delivery of the Board of Directors' response to the position notices:** no later than 5 days after the Deadline for Delivery of Position Notices by the Shareholders.

12. The address of the Israel Securities Authority's distribution site and the Internet site of the Tel Aviv Stock Exchange Ltd, on which the voting papers and position notices are posted:

12.1 The distribution site of the Israel Securities Authority:

<http://www.magna.isa.gov.il/>;

12.2 The Internet site of the Tel Aviv Stock Exchange Ltd: <http://maya.tase.co.il/>

13. A shareholder may receive the ownership confirmation at a branch of the TASE member or via mail, if he has requested it. A request in this matter shall be given in advance regarding a specific securities account.

14. An unregistered shareholder will be entitled to receive by e-mail, free of charge, a link to the text of the voting paper and position notices on the distribution site from the TASE member through which he holds his shares, unless he has notified the TASE member that he does not wish to receive such link or that he wishes to receive voting papers by mail in consideration for payment, provided that the notice was given in respect of a specific securities account and on a date prior to the effective date; notice regarding voting papers shall also apply with regard to position notices.

15. One or more shareholders holding shares which constitute five percent or more of all the voting rights in the Bank, and anyone holding such percentage of all of the voting rights that are not held by the Bank's controlling shareholder, as defined in section 268 of the Companies Law (the "**Controlling Shareholder**") may inspect the voting papers as stipulated in Section 10 of the Regulations.

The quantity of shares constituting 5% of all voting rights in the Bank is: 11,553,050 ordinary shares of ILS 0.1 par value each.

The quantity of shares constituting 5% of all voting rights in the Bank, which are not held by the Controlling Shareholder, is: 6,411,308 ordinary shares of ILS 0.1 par value each

16. A shareholder shall note his manner of voting in regard to the issue on the agenda on the form that constitutes the second part of this voting paper, and in case where the shareholder is voting according to power of attorney (i.e. by proxy), said details shall be given for both the appointer of the power of attorney and his appointee.

**Voting Paper - Part Two**

Company Name: **Mizrahi Tefahot Bank Ltd.** (the "**Company**" or "**Bank**")

Company Address (for delivery of voting papers): Ms. Maya Feller, Company Secretary, Mizrahi Tefahot Bank Ltd., 7 Jabotinsky Street, 13<sup>th</sup> floor, Ramat Gan 52520.

Company No.: 520000522

Time of Meeting: July 7, 2015

Type of Meeting: Special

Effective date: June 8, 2015

(Hereunto to be filled by the Company).

**Details of the Shareholder**

Shareholder Name - \_\_\_\_\_

Identity No. - \_\_\_\_\_

If the shareholder does not have an Israeli ID -

Passport No. - \_\_\_\_\_

Issuing Country - \_\_\_\_\_

Valid Until - \_\_\_\_\_

If the Shareholder is a Corporation -

Corporation No. - \_\_\_\_\_

Country of Incorporation - \_\_\_\_\_

**Manner of voting**

Number of issue on the agenda, as provided in the Immediate Report	Manner of voting <sup>1</sup>			In the matter of the resolution in Article 1 of the Immediate Report (Article 3.1 of this voting paper) – appointment of an External Director							
				Article 245(A1) of the Companies Law: are you a controlling shareholder or have personal interest in the approval of the appointment (excluding personal interest not resulting from your connections with the controlling shareholder) <sup>2</sup> ?	Are you an "interested party" <sup>3</sup> at the Bank?	Are you an "institutional investor" <sup>4</sup> ?	Are you a "senior officer" at the Bank <sup>5</sup> ?				
	For	Against	Abstain	Yes*	No	Yes	No	Yes	No	Yes	No
1											

\* **Detail: In the matter of the External Director's appointment – the issue detailed in Article 1 of the Immediate Report (see Section 3 of this voting paper above):** Below are details regarding my status as a "controlling shareholder" or "having personal interest" in the resolution's approval, excluding personal interest not resulting from my connections with the controlling shareholder (Article 245(A1) of the Companies Law):

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Date

\_\_\_\_\_

Signature

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<sup>1</sup> Failure to mark will be considered as abstaining from vote.  
<sup>2</sup> The vote of a shareholder who shall not fill this column or mark "Yes" without explaining shall not be counted in the counting.  
<sup>3</sup> "Interested Party", per the definition of this term in Article 1 of the Securities Law 5728-1968.  
<sup>4</sup> "Institutional Investor", per the definition of this term in Article 1 of the Control Regulations of Financial Services and Provident Funds (Participation of a Managing Company in a General Meeting) 5769-2009 and the Joint Investment Trust Law 5754-1994.  
<sup>5</sup> "Senior Officer", per the definition of this term in Article 37(D) of the Securities Law 5728-1968

For shareholders holding shares through a TASE member (in accordance with Article 177(1) – this voting paper is only valid when accompanied by a certificate of title, excluding cases where voting is done through the Internet.

For shareholders registered in the company's register of shareholders – the voting paper is valid when accompanied by a photocopy of the identity certificate/passport/certificate of incorporation.



## Supplement

Mizrahi Tefahot Bank Ltd. (the "**Bank**" or the "**Company**")

### Declaration of a Director or Candidate for a Director's Position

Pursuant to Articles 224B and 241 of the Companies Law, 5759-1999 (the "**Companies Law**")

I, the undersigned, **Gideon Siterman**, bearer of ID No. **68260546**, hereby declare in writing as follows:

1. I am a resident of Israel.
2. I am not a relative of the controlling shareholder and neither I nor my relatives nor my partners nor my employers nor anyone to whom I am subordinated directly or indirectly nor a corporation in which I am the controlling shareholder have or had a connection to the company, the company's controlling shareholder, a relative of the controlling shareholder or another corporation in the two years prior to the date on which I am to be appointed as a director.
3. Neither I nor my relatives nor my partners nor my employers nor anyone to whom I am subordinated directly or indirectly nor a corporation in which I am the controlling shareholder have business connections to the company, the company's controlling shareholder, a relative of the controlling shareholder or another corporation, even if the aforesaid connections are not general, except for negligible connections, approved as such by the Bank's Audit Committee and regarding which the terms established in Article 5 of the Companies' Regulations (Matters that Do Not Constitute a Connection) 5767-2006<sup>6</sup> are applicable.
4. In addition to the remuneration and reimbursement of expenses to which I am entitled, I have not received any direct or indirect consideration due to my service as a director at the Bank.
5. My position and/or other occupations do not create and are not liable to create a conflict of interest with my position as a director at the company and they do not harm my ability to serve as a director at the company.
6. To the best of my knowledge, none of the directors serving at the company serves as an External Director in any of the companies where I serve as a director.
7. I am not an employee of a securities authority or a stock exchange in Israel.

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<sup>6</sup> In Article 5 of the Companies' Regulations (Matters that Do Not Constitute a Connection) 5767-2006 it was established that: " The existence of business or professional ties shall not constitute a connection, if all the following are met: (1) the ties are negligible, both for the candidate and for the company; (2) the ties began before the date of the appointment; (3) based on the facts presented to it, the Audit Committee approved before the appointment that the condition in paragraph (1) is complied with; (4) the General Meeting was informed of the existence of said business or professional ties, as well as of the approval of the Audit Committee, before the appointment was approved".

8. I hereby declare that I have the competence for my appointment as an External Director, per the meaning in the Companies Law ("**External Director According to the Companies Law**") established in Articles 240(A) until (F) of the Companies Law, and I have not served as a director at the Bank for over nine consecutive years, and in this matter the cessation of a tenure that does not exceed two years shall not be seen as disrupting the service continuity.
9. I have the required qualifications and ability to dedicate the appropriate amount of time to performing my duties as an external director according to the law, considering, *inter alia*, the Bank's special needs and size.

Noting the above, below are details regarding my qualifications, including my education, experience and knowledge:

My education: B.A. in Accounting and Economics, University of Tel-Aviv

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Certified accountant

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Dozens of years' worth of experience on the boards of directors at state-owned, public companies' boards of directors, including over 10 years during different periods at the Mizrahi Bank.

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In light of the aforesaid, I estimate that I hold accounting and financial expertise as well as professional competence.

10. I have read Sections 226 and 227 of the Companies Law, and I hereby declare that the limitations provided in these sections do not apply to me.

In witness whereof I have hereunto set my hand:

Date: May 21, 2015

Signature: [**Gideon Siterman**]

Tel Aviv University

University Rector

The Faculty of Social Sciences

And the Faculty of Management – Leon Recanati Graduate School of Business  
Administration

Grant Mr. Gideon Siterman

A UNIVERSITY GRADUATE degree

Having completed his studies and taken the examinations of the Economics and Accounting  
Departments

Tel Aviv, 12 Sivan 5739 June 7 1979

[signature]  
Rector

[signature]  
Dean of the Faculty of Social  
Sciences

[signature]  
Dean of the Faculty of  
Management

State of Israel  
Ministry of Justice  
The Accountants' Council

Jerusalem, 21 Shevat 5746

January 31 1986

No. 7071

To

Mr. Siterman Gideon

33 Maze Street

Tel-Aviv 65214

Re: Accounting License

I am pleased to inform you that at its meeting on January 30, 1986 the Accountants' Council resolved to grant you an accounting license.

The license shall be given to you at a ceremony to be held at a date to be established by the council's chairman, a notice regarding which will be sent to you by the council's secretary.

Until that time, you may regard this certificate as a license for the matter of Article 4 of the Accountants Law, 5715-1955.

Respectfully,

Aryeh Litt

Council Secretary