

GENERAL TERMS OF OPERATION OF AN ACCOUNT

Branch no _____ Customer no _____

Name of Customer/s	ID/registration/passport no.

**To
Bank Leumi le-Israel B.M.**

Preamble

The Customers whose details are recorded above request Bank Leumi le-Israel B.M. (hereinafter referred to as **“the Bank”**) to open an account for them, which shall be operated pursuant to all the terms and conditions set forth below and the other terms and conditions set forth in the Request to Open an Account, which has been and/or shall be signed by the Customers (hereinafter referred to as **“the request”**).

In the framework of the account, the Customers may act in various spheres of activity, as detailed by them in the request, *inter alia*: a current account (including a credit facility), a current credit account, a current savings account, cards (credit card, ATM card or card combining the features of both a credit card and an ATM card), securities deposits, shekel deposits, savings plans, foreign currency (current account, credit facilities and deposits) and credit in Israeli currency and in foreign currency (all the above spheres of activity are hereinafter jointly and severally referred to as **“the account”**).

The request (including the exhibit thereto, which constitutes an integral part thereof), as revised from time to time by the Customers, constitutes an integral part of the General Terms of Operation (the General Terms of Operation and the request are hereinafter jointly and severally referred to as **“the general terms and conditions”** or **“this document”**).

The general terms and conditions shall govern the account and all the spheres of activity and service channels specified by the Customers in the request.

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PART A

1. Current Account

1.1 Limits on the withdrawal of monies from the account

1.1.1 The Customers may only withdraw monies from the account up to the amount of the credit balance in the account or up to the limit of the credit facility available to them in the account.

1.1.2 The Customers undertake not to execute any transaction / withdrawal / debit that shall cause the account to exceed the authorised credit facility, if approved, or to go into debit, if no credit facility has been approved, and furthermore to ensure that on the date fixed for debiting the account with any debits, including debits that may not be prevented, such as debits of interest and commission, certain debits in respect of credit cards and the like, the account shall have a sufficient credit balance or credit facility to cover the said debits.

1.1.3 The Bank shall not be obliged to honour any withdrawal, instruction or request of the Customers that results in the creation of or increase in a debit balance in the account, unless the debit balance so created is covered by the credit facility.

1.2 Credit facilities

1.2.1 At the Customers’ request and subject to the Bank’s approval, credit facilities may be provided to the Customers in

the account, on terms that shall be agreed with the Customers in a request to allocate a credit facility (hereinafter referred to as “**the request to allocate a credit facility**”). The credit facilities in the account may have different terms and conditions, including with regard to their period and interest rates.

In addition, the Bank may, without obligation, unilaterally provide a credit facility to the Customers, in its sole discretion. The period of the unilateral credit facility may be different from the period of the credit facility provided at the Customers’ request, if any. The Bank shall notify the Customers of the unilateral credit facility and of its terms and conditions, shortly after its determination.

Credit facilities provided at the Customers’ request and the unilateral credit facility are hereinafter jointly and severally referred to as “**the credit facility**”.

The Bank shall not be obliged to provide or renew any credit facility, in whole or in part. For the avoidance of doubt, it is expressed that even if the Bank provides a credit facility at the Customers’ request, or a unilateral credit facility, such shall not be deemed consent by the Bank to do so in future or to renew a credit facility, in whole or in part.

1.2.2 Credit allocation commission

Quarterly credit allocation commission shall be charged on a credit facility provided at the Customers’ request, in

the amount or at the rate agreed in the request to allocate a credit facility, which shall be paid in advance at the time of allocating or increasing the credit facility and thereafter it shall be paid in advance on the first business day of January, April, July, and October of each year.

Where the credit allocation commission is stated as a percentage, the calculation shall be made by multiplying the amount of the credit facility by the stated percentage and by the number of days until the end of the facility's period or the end of the quarter (whichever is earlier), divided by the number of days in the quarter.

Notwithstanding the aforesaid, the Bank may determine a minimum and/or maximum credit allocation commission (as agreed in the request to allocate a credit facility). Credit allocation commission shall not be charged on a unilateral credit facility.

1.2.3 **The credit facility's cancellation/reduction**

The Bank may reduce or cancel the credit facility on 21 days' notice (or such shorter period that the Bank shall determine, in accordance with any law), or immediately and without notice, in the event that the Bank might be unable to collect the credit as the result of a change for the worse in the Customers' ability to meet their obligations, or as a result of the creation of any other circumstances that oblige the immediate reduction or cancellation of the credit facility, or in any other circumstances permitted by law. In the event of the credit facility's cancellation or reduction immediately and without notice as aforesaid, the Customers shall be sent notice thereof simultaneously with the reduction or cancellation.

1.2.4 **Repayment of debit balance in the account**

The Customers undertake to repay to the Bank any debit balance created within the credit facility at the time fixed for doing so or on the Bank's demand. In addition, the Customers undertake to repay to the Bank any other debit balance created in the account, in respect of debits that could not be prevented or in respect of any other debits, immediately upon the creation thereof.

1.3 **Interest**

1.3.1 Any debit balance created in the account within the credit facility provided at the Customers' request shall bear variable interest on the daily balances, at the rates agreed with the Customers in the request to allocate a credit facility.

1.3.2 Any debit balance created in the account within a unilateral credit facility, if the Bank provides such a credit facility to the Customers, shall bear variable interest on the daily balances, as follows: interest at the rate agreed with the Customers, for the last level of credit in the request to allocate a credit facility, if any. In any other case, the highest interest rate prevailing at the Bank from time to time on debit balances, within such type of credit facility.

1.3.3 Those amounts from the debit balance in the account that for any reason exceed the credit facility and any debit balance that the Customers owe in the account, in the event that they have not been provided with any credit facility in the account, shall bear – in respect of the period from the day of non-payment of the debit balance on time until actual payment thereof in full – variable interest on the daily balances, as follows: if the last request to allocate a credit facility that was agreed to stated a maximum interest rate on debit balances in excess of the credit facility (hereinafter referred to as “**maximum excess interest**”), such interest rate shall apply. If the Customers do not have a valid credit facility, the maximum interest as defined in clause 41 shall apply (the maximum excess interest is also hereinafter referred to as “**maximum interest**”).

For the avoidance of doubt, it is expressed that the Bank's right to maximum interest as well as its actual collection or debiting of the account or any other account of the Customers in respect thereof shall not derogate from its right to take (or continue taking) any steps for the purpose of collecting any amount not paid to it by the Customers on its demand.

The provisions of this sub-clause shall also apply if the Bank files a legal claim for collection of the amounts due to it in accordance with these general terms and conditions, and the Customers agree to the judicial authority awarding maximum interest against them.

1.3.4 The interest in accordance with sub-clauses 1.3.1-1.3.3 above shall be calculated each month, or at any other interval customary at the Bank from time to time (hereinafter referred to as “**the calculation period**”). Interest calculated as aforesaid in respect of any calculation period shall be paid by the Customers or debited to the account and added to the principal on the first business day of the following calculation period, and shall itself bear interest as aforesaid.

1.3.5 Interest on the account, including maximum interest, shall be calculated on the basis of the number of days in which there was a debit balance in the account.

1.3.6 **Changes in commission and interest rates and in debit dates**

The Bank may at any time change the interest rates pursuant to sub-clauses 1.3.1-1.3.3 above, or any component thereof (including the supplements above the prime interest and the supplement for exceeding the credit facility), the rate and amount of the credit allocation commission (including the minimum / maximum commission), the dates on which they are debited and the method of calculating them.

Without derogating from the aforesaid, wherever the interest is based on the prime interest rate, any change in the prime interest rate will result in a similar change in the interest rates.

Notice of any change as aforesaid shall be given in the manner prescribed by law. It is expressed that changes as aforesaid that are made by the Bank from time to time shall apply to the Customers in relation to debit balances existing at the time of the change and to any debit balance created thereafter, until actual payment in full of the debit balance, the interest and the commission as aforesaid.

1.3.7 **Interest to the credit of the account**

If the Bank and the Customers so agree, the credit balance in the account shall bear interest at the rate and in the manner prevailing at the Bank from time to time, which shall be calculated each month or at any other interval customary at the Bank from time to time (hereinafter referred to as “**the calculation period**”). Interest calculated as aforesaid for any calculation period shall be credited to the account on the first business day of

the next calculation period, and shall itself bear interest as aforesaid.

The Bank shall furnish the Customers, on their express demand, with information on the interest credited to the account.

1.4 **Payment or debit dates**

If any payment or debit falls on a day that is not a business day, the payment or debit date shall be postponed to the first business day thereafter; however, if the payment or debit date falls on a day that is not a business day, which is also the last day of any calendar month, the payment or debit date shall be brought forward to the last day of such month that is also a business day.

1.5 **Crediting of payments**

All amounts credited to the account shall be applied firstly towards payment of commission and expenses, secondly towards payment of the credit allocation commission owed by the Customers at such time, thirdly towards payment of the interest and finally towards reduction of the remaining amounts owed by the Customers at such time in the account.

1.6 **Use and safe-keeping of cheque forms**

1.6.1 The provisions of this clause 1.6 shall only apply to a current credit account.

1.6.2 For the purpose of making withdrawals from the account through cheques, the Customers may only use the cheques received from the Bank or approved by the Bank for the purpose of making withdrawals from the account, on which the account number shall appear. The Customers shall not alter any detail printed or impressed on any such cheque, and acknowledge that even if the account number appearing on the cheque is erased or altered, the account may be debited in respect thereof. The Customers shall keep the cheques reasonably safe and take reasonable precautions to prevent their use by unauthorised persons. The Customers shall notify the Bank immediately upon learning of any theft or loss of the cheques and shall cancel them immediately in writing as set forth below.

1.6.3 Where the Customers request the cancellation of any cheque/s, whether or not they have been signed by them, they shall be liable to give the Bank a written cancellation instruction including the details of such cheque/s, and at least the number or numbers of the cheque/s involved (hereinafter referred to as “**cancellation instruction**”). The Bank shall not be under a duty to honour any

cancellation instruction that is not furnished to it in writing.

- 1.6.4 Where the Customers wish to notify the Bank of the cancellation of any cheque/s whether or not they have been signed by them, and their details are not known to the Customers, they shall be liable to give a written cancellation instruction as aforesaid, which shall amount to a general instruction by them in respect of all the cheques presented to the Bank from the date on which the Bank receives the Customers' instruction.
- 1.6.5 Cheques may be presented for payment through various means, including electronic and/or optical means, that the presentation of cheques as aforesaid shall constitute valid presentation (including presentation at the correct place) and that they waive presentation in any other manner.
- 1.6.6 In any case in which the Customers are subscribed to banking communications services, including facsimile and/or telephone in accordance within clauses 8 and/or 16 below, by which the Bank allows its customers to transfer requests and/or give instructions, the Customers may also give the Bank a cancellation instruction by such services.

Notwithstanding the aforesaid, if customers who have subscribed to services allowing instructions to be given by telephone, wish to give the cancellation instruction to the Bank by telephone (hereinafter referred to as a **“telephonic cancellation instruction”**), the Customers shall also give the Bank a written cancellation instruction within a reasonable period of time. It is expressed that the Bank shall execute the telephonic cancellation instruction even if it does not also receive a written cancellation instruction.

The provisions of clause 1.6.6 are subject to the provisions of clauses 8 and 16 below.

- 1.6.7 The above provisions shall apply to all the cheques now or in future in the Customers' possession.

1.7 Current savings account

The provisions of this clause 1, save for clause 1.6 above, shall also apply to a current savings account. If the account is a current savings account, the Customers may not draw cheques on the account. Monies may be withdrawn from the account in any other way approved by the Bank.

1.8 Credits in respect of cheques and bills

- 1.8.1 The crediting of any account of the Customers in connection with cheques and/or bills for collateral or collection or to the credit of the account shall be deemed temporary and shall become final at the end of three additional business days from the date of the credit, or at a later time permitted pursuant to the provisions of any law, including Bank of Israel's Directives.

With regard to post-dated cheques and/or bills, the date on which the cheques and/or bills stand for collection shall be deemed the credit date.

So long as the credit is temporary, the Customers may not draw on the proceeds of the cheques and/or bills and the Bank may debit the account credited as aforesaid in the amount of any cheque and/or bill not paid or returned to the Bank as unpaid, and in the case of a cheque drawn on the Bank – in the amount of the cheque in respect of which the Bank is unable to debit the drawer's account.

The provisions of this clause do not determine the rights of the Customers, the parties to the cheques and/or bills or the Bank, vis-à-vis each other, pursuant to the provisions of any law, including Bank of Israel's Directives.

- 1.8.2 The Bank shall be exempt from all the duties of a holder of cheques and/or bills as aforesaid. The Bank may send the cheques and/or bills for collection and/or return them to the Customers in any manner it deems fit.

- 1.8.3 The Bank shall be exempt from any liability for the theft, loss, destruction or disfigurement of cheques and/or bills, and may cancel the credit in respect thereof, if their theft, loss, destruction or disfigurement was not caused by its negligence.

The above provisions of this clause 1.8.3 shall not apply to cheques and/or bills that are presented to the Bank for collection, in respect of which the Bank shall be liable for the theft, loss, destruction or disfigurement of the cheques and/or bills, unless their theft, loss, destruction or disfigurement was caused by events that the Bank could not have foreseen and the consequences of which it could not have prevented.

1.9 Undertaking by a joint holder of an account credited with reparation payments to victims of Nazi persecution

If the account is a joint account, to which amounts originating in reparation payments to victims of Nazi persecution that have been converted into Israeli currency are credited, all the provisions of clause 7.11 below shall apply to the account, provided that any reference to “foreign currency account” shall be replaced by “the account”.

2. Securities deposit

The terms and conditions set forth in this clause (clause 2) below shall apply to securities deposits opened for the Customers from time to time (hereinafter in this clause referred to as “**the deposit**”). Where the Bank agrees to open a deposit for the Customers, it shall be operated in accordance with the terms and conditions of this clause and the general terms and conditions, and all the authorisations and instructions in the case of death given, if given, in connection with the account shall also apply to the deposit.

2.1 Definitions

In this document, “**securities**” shall be interpreted as including (in addition to its usual meaning): rights, options, gold and coins, foreign securities and other assets (whether corporeal or incorporeal), the Bank’s records in respect of which are or shall be maintained within the framework of deposits of the same type as the deposit, as well as any right or benefit (monetary or otherwise) enuring to or in respect of the securities.

2.2 Custody and holding of securities

- 2.2.1 The Bank need not keep the securities recorded to the credit of the deposit separate from the securities recorded to the credit of deposits of other customers of the Bank. The Bank shall keep separate records in its books distinguishing between securities of the Customers and securities of the Bank itself (in its own account) and securities of other customers.
- 2.2.2 The Bank may return to the Customers, instead of securities recorded to the credit of the deposit (“**the recorded securities**”), alternative securities (“**the alternative securities**”), provided that the alternative securities are of the same type as the recorded securities and that they were issued by the same issuer.
- 2.2.3 The Bank may act, with regard to the registration of title to the securities in the issuing company’s books, in the name of the Registration Company, in accordance with the prevailing

arrangements under the Regulations of the Tel Aviv Stock Exchange Ltd (hereinafter referred to as “**TASE**”) and that are customary at banks. The Bank may also deposit the securities held in the deposit at any time in its own name with the Tel Aviv Stock Exchange Clearing House Ltd (hereinafter referred to as “**TASECH**”).

2.3 Foreign securities

- 2.3.1 Subject to the foreign currency control provisions in force from time to time, this clause (clause 2) shall also apply to foreign securities.
- 2.3.2 In the event that the customers give the Bank purchase and/or sale instructions in respect of foreign securities, the transaction shall be executed on the foreign stock exchange on which the foreign security to which the instruction relates is listed for trading, or where trading takes place in the security (hereinafter referred to as “**the market**”), subject to the regulations, rules, provisions and procedures for trade applicable to the said foreign stock exchange or market (including their clearing house) and in accordance with everything customary and prevailing there, including in connection with the cancellation of transactions.
- 2.3.3 If the security is traded on more than one foreign stock exchange or other market overseas and if the Customers do not give the Bank instructions to the contrary, the Bank may execute the Customers’ instructions on the foreign stock exchange or market chosen by it, in its exclusive discretion.
- 2.3.4 The Customers instructions will or might be carried out through a broker, custodian, agent, distributor or representative acting in the Bank’s name and stead in Israel or overseas (hereinafter referred to as “**the broker**”). Without derogating from the generality of the aforesaid, the Bank may deposit the security with a broker overseas at its election, use a broker for the purpose of executing the Customers’ instructions and act in respect thereof subject to any law. The Customers undertake to bear the reasonable expenses, commission and payments that the Bank is required to pay the broker in connection with the execution of the Customers’ instructions as aforesaid.

In this clause, “**custodian**” means any entity providing the Bank with custody services in respect of foreign securities or anyone on its behalf.

A custodian may have various rights, including a right of lien, set-off, charge or other right in assets and/or monies of the Customers that the custodian might hold, in connection with (1) custody fees, commission and payments due to the custodian in connection with securities of the Customers deposited with it by the Bank; (2) amounts due to the custodian in connection with the proceeds of a transaction with securities of the Customers.

The Bank shall be exempt from liability for any damage, expense and loss that might be occasioned to the Customers, directly and/or indirectly, as a result of any act and/or omission of a broker, provided that the Bank exercised reasonable care in choosing the broker. Insofar as possible, the Bank shall help the Customers clarify the circumstances of the case and shall, insofar as possible, assign to them its right of action against such broker.

The provisions of this clause are subject to clause 28 below.

2.3.5 The price required by the broker as the purchase price, or the price reported by him as the security’s sale price, shall bind the Customers for all intents and purposes, even if on the purchase, or sale date, different and better prices are listed for the security, on the same foreign stock exchange or market, or elsewhere, and even if purchases or sales of the same security were effected by others, including the Bank for its customers at better prices.

2.3.6 (1) The Customers agree that all the payments due to the Bank or the broker that are denominated in foreign currency shall be paid in foreign currency from the account operated in such foreign currency, and if the Customers do not have such an account, or do not have a sufficient balance therein, they shall do everything necessary to place sufficient foreign currency balances in the account. The Customers further agree that if the law does not permit them to make the payment from foreign currency monies as aforesaid or if they instruct the Bank to do so, the Bank shall purchase the required foreign currency for them in exchange for Israeli currency at the BLL rate at

which the Bank sells its customers cheques denominated in the said foreign currency (together with the Bank’s prevailing foreign currency purchase commission), on the date of their actual payment by the Customers.

(2) The Customers agree that all payments received to their credit in connection with the execution of an instruction in connection with foreign securities that are converted into Israeli currency, in accordance with their instruction or in accordance with any law, shall be converted by the Bank at the BLL rate at which the Bank purchases from its customers cheques denominated in the foreign currency in which the payment is denominated, on the date on which the foreign currency is actually converted into Israeli currency.

2.3.7 The Customers account shall be credited or debited, as the case may be, with the consideration for the transactions executed in accordance with their instructions, only after the Bank is actually credited or debited by the broker, unless the Bank deems it fit to act otherwise.

2.3.8 The Customers shall not have any claim and demand against the Bank in consequence of lack of notice regarding the existence of legal proceedings in any court outside Israel of which the Bank becomes aware, which are being conducted in relation to a foreign security held by them. The Customers agree that the Bank may (without obligation), in its discretion, handle legal proceedings as aforesaid on their behalf, and the Customers shall not have any claim or demand in respect of the proceedings’ conduct, in respect of their results or in respect of any other matter connected therewith.

2.3.9 Notwithstanding the definition of the “law” in clause 41 hereof, the Customers agree that in respect of any litigation or disputes arising in respect of a transaction or transactions executed in relation to instructions pursuant to this clause, the Customers accept the law and jurisdiction of the entities and/or authorities in Israel and/or overseas, in accordance with the relevant laws, provisions, rules and agreements pursuant to the Bank’s notice.

2.4 Presentation for payment and collection of income

The Customers agree that the Bank may collect for them interest, dividends and amounts of principal becoming payable,

including as a result of a lottery, income and other rights due in respect of or in connection with the securities, when they mature or when they become payable, and the Bank shall transfer the consideration to the credit of the account.

2.5 Giving of instructions to the Bank and manner of executing them

- 2.5.1 The Customers or their authorised representatives may give the Bank instructions in writing or in any other way agreed upon between the Customers and the Bank.
- 2.5.2 Transactions with securities to the credit or debit of the deposit shall be executed subject to TASE's Rules, directives and trading procedures and subject to the by-laws and directives of TASECH (all hereinafter referred to as "TASE's directives"), and the same applies to the execution of other transactions in the deposit to which TASE's directives apply.
- 2.5.3 The account shall be debited or credited in accordance with the monetary transactions required to purchase and/or sell the security or in respect of other transactions in connection with the deposit.
- 2.5.4 the Bank will not send the customers any notice or information in respect of the following matters:
- (1) notices generally given to shareholders by public companies in publications of TASE or another authority or through the media;
 - (2) notices concerning the payment of periodic dividend by mutual funds;
 - (3) notices regarding the payment of interest and/or dividend in an amount not exceeding the amounts determined by the Bank from time to time and published on the notice boards at the Bank's branches;
 - (4) notices regarding the holding of meetings by the companies;
 - (5) balance sheets and annual and other statements and reports.
- 2.5.5 If the Customers may choose to exercise options or rights determined in respect of any security and they for any reason do not notify the Bank of their decision in good time, the Bank may act in the Customers' name and stead in accordance with TASE's directives, if any, and in their absence the Bank shall act for the Customers' benefit in its discretion, merely from

the aspect of the security transaction. However, if as a result thereof it is necessary to debit the account, the Bank shall act in its exclusive discretion. The aforesaid shall also apply to any other option available to the Customers in respect of any security.

2.6 The Customers' buy and sell instructions to the Bank

- 2.6.1 The amount of "the consideration" stated in the customers' instructions is merely an estimate and does not bind the Bank. If the customers' instructions are given without a price limit, the consideration for the transactions executed on their instructions might be in an amount different to the amount stated as the estimated monetary consideration, and they might be occasioned monetary losses and damages as a result of there being no price limit.
- 2.6.2 In the event that the customers give the Bank a sell instruction, the Bank shall not be under a duty to examine the contents of the deposit. Accordingly, if it transpires that the deposit does not contain the securities detailed in the sell instruction, or the quantity detailed in the sell instruction (hereinafter referred to as "the short securities"), the Bank may, without prejudice to its right to act in any other way, repurchase the short securities, at such time as the Bank deems fit in its exclusive discretion, and debit the account with the consideration plus commission and expenses.
- 2.6.3 The Customers undertake to ensure that there is sufficient cover in the account for the purpose of executing their instructions. The Customers agree that if the execution of any instruction, in whole or in part, results in the creation of or increase in a debit balance in the account, or in the debit balance exceeding the approved credit facility, if any, the Bank may (without obligation), at any time, also after receiving the instruction, act in one or more of the following ways, without having to give notice;
- (1) decline to execute the instruction, in whole or in part;
 - (2) in the case of a standing order to purchase a security – suspend it without giving notice;
 - (3) sell the securities purchased or allotted to them pursuant to such instruction, or all or any of their other securities at the Bank, at any time and at any price the

Bank deems fit, and use the consideration (less the Bank's commission and any tax, levy or compulsory payment applicable to such sale, if any) for the full or partial repayment of the said debit balance;

all without derogating from the Bank's right to take other steps to collect the said debit balance.

- 2.6.4 A purchase or sale effected by the Bank in deviation from the Customers' instructions shall not entitle or bind the Customers, but shall be deemed to entitle or bind the Bank. The Customers may not retroactively approve any deviation as aforesaid.

2.7 Charged securities

The securities in the deposit shall, and shall always be deemed to be, pledged and charged in favour of the Bank, and for the purpose of reinforcing this, they shall be assigned by way of charge to the Bank, as fixed collateral and surety, and the Bank may, without obligation, sell all or any of the securities in the deposit, on three days' notice (which shall be considered reasonable notice for the purpose of section 19(b) of the Pledges Law, 5727-1967 or any legal provision replacing it), and use the consideration (less the Bank's commission and any tax, levy or compulsory payment applicable to a sale as aforesaid, if any) for the full or partial repayment of any debit balance created in any account of the Customers, for any reason, without derogating from the Bank's right to take other steps for the purpose of collecting the said debit balance.

The Customers undertake not to create, without the Banks prior written consent, any pledge, assignment or other charge on the securities with preferential, equal or inferior rights to the rights given to the Bank pursuant to this document and any other documents that the Customer has signed and/or shall sign.

2.8 Furnishing of information

Notwithstanding the Bank's duty of confidentiality in connection with the furnishing of information on the Customers, the Bank shall be liable to furnish information as aforesaid on the demand of TASE and/or ISA (Israel Securities Authority) and/or any other competent authority; and in respect of foreign securities traded overseas – also to the stock exchange or market (including their clearing house) on which the transaction was executed, and/or to any other authorized authority and/or to the issuing corporation, subject to the foreign law and the statutes and regulations of the foreign authorities and/or other entities regulating the rules of their activity themselves (self-regulating agencies) applicable to the said security and/or correspondents and/or brokers through whom

the instruction was carried out, and the Customers give their consent thereto.

The Customers expressly agree that the delivery of a report by the Bank pursuant to this sub-clause shall not be deemed a breach of the duty of banking confidentiality or of any other duties that the Bank might have towards them.

2.9 Reports

Written notice of any transaction executed for the Customers shall be sent as is customary at the Bank from time to time, and subject to TASE's directives and the provisions of any law.

A list of the securities held in the deposit shall be sent to the Customers as customary at the Bank from time to time and subject to TASE's directives and the provisions of any law. The Customers may obtain such a list at any time through an automated machine.

2.10 Exemption from liability in certain circumstances

The Customers hereby exempt the Bank from liability for any damage, loss and expenses that might be occasioned to them, directly or indirectly, as a result of a delay in the transfer for execution of any instruction in respect of securities, or as a result of a delay in executing it, provided that the Bank shall not be exempt if the loss or expense was a result of the Bank's negligence. The provisions of this sub-clause are in addition to and without derogating from the provisions of clause 2.3.4 above and clause 28 below.

3. Cancelled.

4. Shekel deposits and savings plans – general

The terms and conditions set forth below in this clause (clause 4) shall apply to shekel deposits and savings plans (hereinafter referred to as "the deposit/s") opened by the Customers from time to time, at their request and subject to the Bank's consent, in the amounts, for the periods, at the times, at the interest rates and on such other terms as agreed between the Bank and the Customers, in the deposit request, the execution instruction, the supplementary terms and conditions or in any other way (hereinafter referred to as "the deposit request").

Where the Bank agrees to open a deposit for the Customers, it shall be operated in accordance with the terms and conditions set forth in this clause (clause 4), and in clauses 5-6 below, based on the relevant deposit type, and pursuant to the provisions of the deposit request, and the general terms and conditions herein. All the authorisations and instructions in the case of death given, if given, in connection with the account, shall also apply to the deposit/s.

4.1 Times of giving instructions

If an instruction to make a deposit is given after the time fixed for the end of a business day at the branch, or on a day that is not a

business day (and in respect of a foreign currency linked shekel deposit – a day on which there is no trade in foreign currency), the deposit commencement date shall be postponed until the first business day (or foreign currency business day, as the case may be) thereafter and the interest rate and/or any component of the interest rate and/or deposit rate, as the case may be, shall be determined as though the instruction was given on the first business day thereafter.

Notwithstanding the aforesaid, if an instruction to make a deposit in a foreign currency linked savings plan is made on a day that is not a business day, the deposit commencement date shall not be postponed and shall start on the same day, but the representative rate shall be the first representative rate published after that day.

4.2 **Taxes**

If the Customers are charged taxes, levies or compulsory payments pursuant to any law in respect of any deposit, the Bank shall deduct this amount at source in accordance with the law, or debit the account in any amount required as a tax payment, unless the Customers furnish the Bank with an appropriate certificate from the authorities regarding an exemption from deduction as aforesaid.

4.3 **Restrictions on the deposit**

The Customers may not give any instruction or request to withdraw monies that will result in the creation of a debit balance in the deposit, and that they may not withdraw monies from the deposit by cheques. Where as a result of any deposit a debit balance arises (or is increased) in the account debited in respect of such deposit or, as the case may be, the deposit results in a deviation from the approved credit facility in the account at such time – the Bank may (without obligation) cancel the credit as aforesaid.

4.4 **Set-off**

In addition to the Bank's rights of set-off and lien pursuant to the law and this document, where the Customers have signed a specific set-off letter and/or debenture / deed of pledge in respect of the deposit, all the rights in the relevant deposit shall be subject to the Bank's rights pursuant to the specific set-off letter and/or debenture / deed of pledge.

4.5 **Withdrawal of the deposit**

The Customers may not withdraw the deposit monies, or some of them, or the interest and/or linkage thereon, before the dates stated in the deposit request, except with the Bank's consent and on the terms and conditions set by the Bank, and subject to any law and Bank of Israel's Directives. If the Bank agrees to the deposit's withdrawal prior to the dates stated in the deposit request, the deposit shall be deemed to have been broken, involving the

payment of expenses, commission and damages to the Bank, and in such case the amount by which the Customers are credited in respect of the deposit might be even lower than the original amount deposited by them.

4.6 **The deposit period's expiry**

On the deposit period's expiry, the Bank shall transfer the amount of the deposit and the interest thereon, as well as the linkage, if any, less due taxes and levies, to the credit of the current account, subject to the provisions of the law.

Where the deposit period's expiry falls on a day that is not a business day, the deposit period's expiry shall be postponed until the first business day thereafter; however in the case of an index-linked deposit, where the deposit period's expiry falls on a day that is not a business day and that is also the last day of any month, the date for receiving the monies shall be brought forward to the last business day of the said month.

4A. **Savings plans**

4.7 **Definitions**

For the purpose of this clause (clause 4A), and for the purpose of the deposit request, the following expressions shall bear the meanings set forth alongside them, in addition to the definitions contained in the "definitions" clause in the general part of this document:

4.7.1 **"the deposit request"** – a form including the specific terms and conditions of the deposit agreed between the Bank and the Customer, in the execution instruction, the deposit notice, supplementary terms and conditions and/or in any other way;

4.7.2 **"the deposit commencement date", "the deposit period's expiry", "the exit point"** – as set forth in the deposit request. It is hereby expressed that if no exit point is stated in the deposit request, the deposit shall not have any exit points;

4.7.3 **"the representative rate"** – the representative rate of the foreign currency published from time to time by Bank of Israel; if Bank of Israel does not publish the representative rate, temporarily or permanently, it shall be replaced by "the BLL rate". For the avoidance of doubt, it is expressed that non-publication of a representative rate on Sundays, Saturdays and holidays shall not be deemed, in the absence of any other cause for non-publication, a case in which Bank of Israel does not publish a representative rate;

- 4.7.4 **“the BLL rate”** – the rate determined by the Bank at which the Bank purchases the relevant foreign currency (transfers and cheques) from its customers in exchange for Israeli currency;
- 4.7.5 **“determining date”** – the day specified in the deposit request of a deposit that has a number of interest periods, on which the Bank shall determine the interest rate for the relevant interest period;
- 4.7.6 **“the interest rates table”** – the table depicting the interest rates on deposits and savings plans, that is published at the Bank’s branches;
- 4.7.7 **“level”** - every group of amounts for which an interest rate on linked savings plan deposits appears in the interest rates table;
- 4.7.8 Cancelled;
- 4.7.9 **“prime”** – the basic interest on debit balances in current accounts as determined from time to time by the Bank;
- 4.7.10 **“renta”** – the payment of periodic interest on periodic income plans.

4.8 Deposits

4.8.1 **One-time deposit**

The Customers may, until the deposit expiry date, deposit amounts that shall not be less than the amount determined by the Bank from time to time. The deposit period shall be calculated separately for each deposit.

4.8.2 **Depositing monies in instalments**

The Customers shall deposit amounts in consecutive monthly instalments (hereinafter referred to as **“the monthly deposit”**), provided that the amount of each deposit is not less than the amount determined by the Bank from time to time as the minimum deposit amount (hereinafter referred to as **“the minimum amount”**) and not more than the amount determined by the Bank from time to time as the maximum deposit amount (hereinafter referred to as **“the maximum amount”**).

- (1) The Customers may reduce the monthly deposit amount from time to time, on notice that shall be given at least 10 days prior to the next monthly deposit date, provided that in any event the monthly deposit amount after any reduction shall not be less than the minimum amount.

- (2) The Customers may increase the monthly deposit amount from time to time, on notice that shall be given at least 10 days prior to the next monthly deposit date, provided that in any event the monthly deposit amount after any increase shall not be more than the maximum amount or any other amount determined by the Bank from time to time as the maximum amount for increasing a deposit (hereinafter referred to as **“the maximum increase amount”**). The manner of the increase shall be in accordance with the track/s existing at the Bank at such time, details of which shall be available at the branches.

For the avoidance of doubt, it is expressed that even if the original monthly deposit amount is higher than the maximum amount, if the monthly deposit amount is subsequently reduced by the Customers, they may not increase the monthly deposit amount to more than the maximum amount.

4.9 Calculation of interest

- 4.9.1 The amount in the deposit shall bear positive or negative interest, as set forth in the deposit request.
- 4.9.2 The interest on the deposit shall be calculated on the basis of the actual number of days in the calculation period, divided by 365 or 366, in accordance with the number of days in the year in which such period falls. If part of the calculation period is in a 365 day year and the other part in a 366 day year, the calculation shall be made in respect of each part of the period separately, in accordance with the number of days in the year in which such part falls.

4.10 Minimum amount

No deposit shall be less than the minimum amounts determined from time to time by the Bank. It is expressed that where part of the deposit amount is withdrawn, the balance remaining in the deposit after the withdrawal as aforesaid shall not be less than the minimum deposit amount in an identical deposit as prevailing at the Bank at such time.

If on the relevant date the Bank does not offer a deposit of such type – the deposit balance shall not be less than the last minimum amount prevailing at the Bank in respect of a deposit of such type.

If after a withdrawal as aforesaid the deposit balance is less than the minimum amount, the deposit balance, together with the amount of the withdrawal, shall be transferred to the current account.

4B. Shekel deposits

4.11. Definitions

For the purpose of this clause (clause 4B) and for the purpose of the deposit request, the following expressions shall bear the meanings set forth alongside them, in addition to the definitions set forth in the “definitions” clause in the general part of this document:

- 4.11.1 **“the deposit request”** – a form including the specific terms and conditions of the deposit agreed between the Bank and the Customer, in the execution instruction, the deposit notice, supplementary terms and conditions and/or in any other way;
- 4.11.2 **“the deposit commencement date”, “the exit point”, “the deposit principal”** – as set forth in the deposit request. It is hereby expressed that if no exit points are stated in the deposit request, there shall be no exit points in the deposit;
- 4.11.3 **“overlapping day”** – a day falling on the same monthly date as the deposit commencement date, and if the overlapping day does not exist in a particular month (hereinafter referred to as **“the short month”**) – the first day of the month following the short month shall be the overlapping day. Where an overlapping day falls on a day that is not a business day, in that case alone the overlapping day shall be postponed to the first business day thereafter;
- 4.11.4 **“the interest rates table”** – the table depicting the interest rates on deposits and saving plans that is published at the Bank’s branches;
- 4.11.5 **“level”** – every range of amounts for which an interest rate on deposits or, as the case may be, the prime margin rate, appears in the interest rates table;
- 4.11.6 **“overlapping date”** – a day and month in any year during the deposit period falling on the same date and in the same month as the deposit commencement date. Where an overlapping date falls on a day that is not a business day, in that case alone the overlapping date shall be postponed to the first business day thereafter;
- 4.11.7 **“the minimum amount”** – the amount determined from time to time by the Bank as the minimum deposit amount and the minimum amount that must exist, at any time, in the deposit;

4.11.8 **“the deposit period's expiry”** – the maturity date stated in the deposit request, and if no maturity date is stated – the day on which the deposit period expires;

4.11.9 **“the deposit period”** – the deposit period stated in the deposit request, beginning on the deposit commencement date and ending on the deposit period's expiry.

4.12 Interest

4.12.1 **General**

The deposit principal shall bear fixed or variable interest, as stated in the deposit request under the heading “interest”.

4.12.2 **Fixed interest**

- (1) If it is stated in the interest clause of the deposit request that fixed interest shall be paid in respect of any deposit period or in respect of one or more of the deposit periods, the deposit principal shall bear, for the said period, fixed interest at the rate stated in the deposit request.
- (2) The interest shall be calculated on the basis of the number of days in the deposit period or the fixed interest period, as the case may be, divided by 365 or 366, in accordance with the number of days in the year in which the said period falls. If part of the period is in a 365 day year and the other part in a 366 day year, the calculation shall be made in respect of each part separately, in accordance with the number of days in the year in which such part of the deposit period falls.

4.12.3 **Variable interest**

- (1) If it is stated in the interest clause of the deposit request that variable interest shall be paid in respect of any deposit period or in respect of one or more of the deposit periods, the deposit principal shall bear, for the said period, variable interest at a rate identical to the prime interest, as determined by the Bank from time to time, less a fixed-rate margin set forth in the deposit request.
The deposit interest rate from the deposit commencement date until a change in the prime interest, as set forth below, is as set forth in the deposit request.
- (2) In the event of a change in the prime interest at the Bank, the deposit interest rate shall change accordingly and the interest shall be calculated on the basis

of the number of days to which the said rate applies, divided by 365 or 366, in accordance with the number of days in the year in which the said period falls. If part of the calculation period is in a 365 day year and the other part in a 366 day year, the calculation shall be made in respect of each part separately, in accordance with the number of days in the year in which such part of the deposit period in respect of which the calculation is being made, falls.

- (3) Notwithstanding the provisions of sub-clause 4.12.3 (2) above, if the prime interest is not determined for any day, the interest rate shall not be calculated as aforesaid, but from such date until the date on which the prime interest is again determined, the interest applicable shall be variable interest at the rate determined by the Bank each day and applicable in respect of such day only, which shall be identical to the interest rate prevailing at the Bank on such day in respect of new seven day deposits with fixed interest, in an amount similar to the deposit amount as shall be on such day, as stated in the interest rates table.

- 4.12.4 It is expressed that interest will not be paid for the day on which the deposit period expires or, in the event of withdrawal of the deposit monies, or some of them, at an exit point, interest will not be paid for the day on which the exit point in respect of the amount withdrawn falls.

The provisions of this clause 4.12.4 are subject to the provisions of clause 4.5 above and clause 4.14 below.

4.13 Foreign currency linkage

Where the deposit is of the “**Patzam**” [currency-linked deposit] type, the deposit principal and the interest thereon shall be linked to the changes (rise or fall, as the case may be) in the rate of the foreign currency of the type stated in the deposit request and shall be calculated as set forth below.

If on the date of actual payment of any amount of principal or interest it transpires that the maturity rate, as defined below, has risen or fallen compared with the deposit rate as defined below, the payment shall be increased or decreased pro rata to the rise or fall in the maturity rate compared with the deposit rate.

If it transpires that the maturity rate is equal to the deposit rate, the payment shall remain unchanged.

“**Deposit rate**” – the rate determined by the Bank in respect of the day on which the deposit commencement date falls as “the BLL

rate”, at which the Bank will sell the relevant foreign currency (transfers and cheques) to its customers, in exchange for Israeli currency.

“**Maturity rate**” – the rate determined by the Bank for the day on which the deposit period expires as “the BLL rate”, at which the Bank will purchase the relevant foreign currency (transfers and cheques) from its customers, in exchange for Israeli currency.

4.14 Withdrawals at exit points

If it is stated in the deposit request that the deposit has exit points, the Customers shall be entitled to instruct the Bank that on the date of the exit point the deposit monies, or some of them, and the interest thereon (less due taxes) shall be withdrawn to the credit of the current account, subject to the following terms and conditions:

- 4.14.1 The withdrawal instruction (hereinafter referred to as “**the withdrawal instruction**”) shall be received by the Bank at least two business days in advance.

- 4.14.2 Where part of the deposit amount is withdrawn, the balance of the deposit remaining after the withdrawal (hereinafter referred to as “**the deposit balance**”) shall not be less than the minimum amount of a deposit of the same type on the date of the relevant exit point. If on the relevant date the Bank does not offer a deposit of such type – the deposit balance shall not be less than the last minimum amount prevailing at the Bank in respect of a deposit of the same type. The deposit balance shall bear interest in accordance with the terms and conditions of the deposit, as determined on the deposit date.

- 4.14.3 It is expressed that if the withdrawal instruction results in the deposit balance being less than the minimum amount, the deposit balance shall also be transferred to the credit of the current account.

- 4.14.4 Where any exit point falls on a day that is not a business day, the exit point shall be postponed to the first business day thereafter.

5. Cancelled.

6. Cancelled.

7. Foreign currency - current account, credit facilities and deposits

Where the Bank agrees to open a current account, credit facilities and deposits for the Customers that shall be maintained in foreign currency (hereinafter in this clause (clause 7) referred to as “**the foreign currency account**”), they shall be

governed by the terms and conditions set forth in this clause (clause 7) below and by the general terms and conditions of this document, including the authorisations and instructions in the case of death given, if given, in connection with the account.

7.1 Credit balance in a foreign currency current account

The credit balance in a foreign currency account shall not bear interest, unless otherwise determined by the Bank. Credit interest determined as aforesaid, if at all, shall be at the rate prevailing at the Bank from time to time in respect of foreign currency accounts of the relevant type, amount and currency, and shall be calculated on the basis of the number of days that have actually passed from the date of creation of any credit balance in foreign currency in the account, divided by 365. The interest calculated as aforesaid shall be credited to the foreign currency account at the end of any period as prevailing at the Bank from time to time, and the Bank shall furnish the Customers, on their express demand, with information on the credit interest credited to the foreign currency account.

Where the Bank is obliged to keep or deposit, at Bank of Israel, liquid amounts in a currency that is not the currency in which the foreign currency account is operated, in respect of the credit balance in the foreign currency account, the credit balance in the foreign currency account might bear negative interest (that is to say, will be charged interest) at a variable rate, as prevailing at the Bank from time to time in respect of foreign currency current accounts in the currency of the foreign currency account (hereinafter referred to as "the negative interest"). The negative interest shall be debited to the foreign currency account at the end of every month or at such other interval as prevailing at the Bank from time to time.

7.2 Limits on the withdrawal of monies from the foreign currency account

The provisions of clause 1.1 above shall also apply to foreign currency accounts, *mutatis mutandis*.

So long as a credit facility has not been approved for the Customers, they undertake to execute transactions in the foreign currency account only if and when there are current balances in the account (that are not deposited in a fixed-term foreign currency deposit) in an amount sufficient for the transaction's execution.

If there are no sufficient current balances at the time of the transaction's execution, the Bank may decline to execute the transaction or – in the Bank's discretion – break a fixed-term foreign currency deposit in order to

execute the transaction, which might result in changes in the deposit terms and conditions stipulated in advance for the said foreign currency deposit, and damage might be occasioned to the Customers, in consequence of their being debited with breakage interest and other expenses in connection with the breakage of fixed deposits in foreign currency.

7.3 Payment or debit dates

If the date of any debit pursuant to this clause (clause 7) and/or pursuant to the foreign currency credit request (hereinafter referred to as "the debit date") falls on a day that is not a foreign currency business day, the debit date shall be postponed to the first foreign currency business day thereafter; however, if the foreign currency business day subsequent to the debit date, to which the said debit date is postponed, falls in a month after the month in which the said debit date falls, the debit date shall be brought forward to the last foreign currency business day of the said month.

Where the Customers wish to execute a transaction on a day that is not a foreign currency business day, the transaction shall be executed in accordance with the Bank's prevailing rules and dates in connection with transactions as aforesaid on days that are not foreign currency business days.

7.4 Use of cheques

The Customers may not make withdrawals from the foreign currency account through cheques or magnetic cards, unless they have received express authorisation to do so from the Bank, and if they have received authorisation to make withdrawals via cheques, the provisions of clause 1.6 above shall apply.

7.5 Credit facility in foreign currency account, debit interest and interest calculation method

7.5.1 The provisions of clause 1.2 above shall also apply to credit facilities in foreign currency, *mutatis mutandis*.

7.5.2 The provisions of clauses 1.3.1-1.3.6 above shall also apply to the interest on debit balances in a foreign currency account, *mutatis mutandis*.

7.5.3 Notwithstanding the aforesaid, the debit interest on the daily balances in foreign currency accounts shall be calculated on the basis of the number of days that have actually elapsed from the date of creation of any debit balance in the foreign currency account divided by 360, the interest rate being variable interest at the LIBOR rate, as defined below, plus a specified margin (hereinafter referred to as "the margin") or any other interest rate, of which the Bank notifies the Customers from time to time.

For the purpose of this clause (clause 7) (but excluding deposits in foreign currency), the definition of the term "LIBOR", as defined in clause 13.13.2 (2) shall apply and also the content of clauses 13.13.2 (3) and 13.13.2 (4), but for the purposes of this clause, the term "**interest period**" means a period of 24 hours (overnight) or another number of days and/or months, as determined by the Bank or as agreed.

7.5.4 Cancelled.

7.5.5 The rates of interest with which the foreign currency account shall be debited, including in the case of maximum interest, shall be revised each day or at any other interval determined by the Bank, in accordance with the changes in the LIBOR rate, if any, without derogating from the provisions of clause 1.3.6 above.

7.6 **Credits in respect of cheques and bills**

7.6.1 The crediting of any of the Customers' accounts in connection with cheques and/or bills for collateral or collection or to the credit of the account shall be deemed temporary.

The Customers may not withdraw their proceeds before their collection by the Bank.

The Bank may debit the account credited as aforesaid in the amount of any cheque and/or bill not paid or returned to the Bank as unpaid, and in the case of a cheque drawn on the Bank – in the amount of the cheque in respect of which the Bank is unable to debit the drawer's account.

7.6.2 The provisions of clause 1.8.2 above shall also apply to the foreign currency account.

7.7 **Crediting of payments**

The provisions of clause 1.5 above shall also apply to the foreign currency account.

7.8 **The deposit's designation**

Any amount in foreign currency that is deposited to the credit of the foreign currency account without stating the deposit's designation shall be deposited, at the Bank's election and subject to the provisions of any law, to the credit of the foreign currency account, or to a foreign currency deposit, or converted into shekels to the credit of the current account.

7.9 **Foreign currency deposits**

7.9.1 The foreign currency deposit shall be deposited for such period as agreed between the Bank and the Customers. In the absence of an instruction by the

Customers, the foreign currency deposit shall be deposited for such period as determined by the Bank, in its discretion.

7.9.2 **Interest**

The foreign currency deposit shall bear interest at the rate prevailing at the Bank on the date of its deposit, and published in the "interest rates on foreign currency deposits" table, having regard to the amount of the deposit, the type of deposit, the type of currency and the period of the deposit.

The interest shall be as agreed between the Bank and the Customers, at a fixed rate for the entire deposit period, or at a variable rate determined by the Bank from time to time in respect of interest periods. The interest shall be calculated as customary at the Bank in respect of the period of the foreign currency deposit, divided by 365 days. The interest accruing on the foreign currency deposit as aforesaid shall be paid by crediting the foreign currency deposit or the foreign currency account, at the Bank's election, less due taxes, if any.

For deposits in foreign currency (if the Bank and the Customers agree on interest in the deposit on the basis of the LIBOR) the term "**LIBOR**" means, the interest rate offered in the London inter-bank market, in the applicable currency, for the applicable interest period, as quoted on each foreign currency business day at or about 11:00 hours (London time), and published by Reuters News Service, or if not published by Reuters News Service as aforesaid, it shall be determined in accordance with the publications of another news service or in accordance with any other publication that, in the Bank's opinion, constitutes a suitable alternative to publication by Reuters.

Notwithstanding the aforesaid, where the Bank decides that there is no suitable publication instead of the Reuters News Service, the LIBOR rate shall be the rate determined from time to time by the Bank as the interest rate at which the Bank could have obtained, in the London inter-bank market, inter-bank deposits in the applicable currency for the applicable interest period.

7.9.3 **Payment date**

Where any payment on account of the deposit principal and/or interest falls due on a day that is not a foreign

- currency business day, the payment shall be made on the first foreign currency business day thereafter; however, if the said foreign currency business day falls in the month following that in which the relevant payment date falls, the payment date shall be brought forward to the last foreign currency business day prior thereto.
- 7.9.4 Cancelled.
- 7.9.5 **Consolidation of deposits**
The Customers agree that the Bank may consolidate deposits of the same type and in the same type of currency, in accordance with the rules prevailing at the Bank from time to time.
- 7.9.6 **Minimum amounts**
No deposit, so long as the Bank agrees to accept a deposit as aforesaid, shall be less than the minimum amounts determined by the Bank from time to time.
- 7.9.7 **Times of giving instructions**
Where a deposit instruction is given after the time fixed for the end of the business day at the branch, or on a day that is not a foreign currency business day, the deposit commencement date shall be postponed to the first foreign currency business day thereafter; however, the interest rate shall be determined as though the instruction was given on the last foreign currency business day prior thereto.
- 7.9.8 **Taxes**
The provisions of clause 4.2 above shall also apply to a foreign currency deposit.
- 7.9.9 **Restrictions on the deposit**
The provisions of clause 4.3 above shall also apply to a foreign currency deposit.
- 7.9.10 **Set-off**
The provisions of clause 4.4 above shall also apply to a foreign currency deposit.
- 7.9.11 **Withdrawal of the deposit**
The provisions of clause 4.5 above shall also apply to a foreign currency deposit.
- 7.10 **Change of status**
In the event of a change in the status of the Customers, or any of them, pursuant to the provisions of any law, including the Currency Control Law, 5738-1978, or any law by virtue thereof, in force from time to time, the Customers undertake to notify the Bank thereof immediately and in writing, giving details of the nature of the change.
- 7.11 **Undertaking by a joint holder of an account and/or deposit credited with reparation payments to victims of Nazi persecution**
- 7.11.1 In this clause, “the Customers” – jointly and severally, all the Customers who are joint holders of a foreign currency or Israeli currency account and/or deposit in which reparation payments to victims of Nazi persecution are deposited and/or credited at intervals with renta and/or pension as aforesaid, save for the Customers for whom the said monies are deposited (hereinafter referred to as “the beneficiary”).
- 7.11.2 The Customers acknowledge that the validity of the beneficiary’s instructions to credit the account and/or deposit in the amounts of the renta and/or pension shall lapse upon his death, and that certain rights vested in monies in a foreign currency account and/or deposit, by virtue of the fact that they are monies received as reparation payments to victims of Nazi persecution – expire pursuant to the law upon the beneficiary’s death.
- 7.11.3 In light of the aforesaid, the Customers undertake as follows:
- (1) to notify the Bank immediately of the beneficiary’s death;
 - (2) not to withdraw any amount from the account and/or deposit that was deposited to the credit of the account and/or deposit as renta and/or pension from the month following that in which the beneficiary died, or constituting any benefit in respect of the fact that the monies in the foreign currency account and/or deposit are amounts as aforesaid;
 - (3) if any withdrawals are made from the account and/or deposit in a manner conflicting with their obligations pursuant to sub-clause 7.11.3(2) above, they shall pay the Bank, on its first demand, any amount required to return the renta and/or pension and/or benefits with which the account and/or deposit was credited in respect of the period commencing with the month following that in which the beneficiary died, and if for such purpose it is necessary to purchase foreign currency, they shall pay the Bank such amount in Israeli currency that is required at such time to purchase the relevant amount in foreign currency.
- 7.11.4 The Customers agree that in the event of the beneficiary’s death, the Bank may give the office handling the

reparation payments overseas, or any other entity handling the renta and/or pension matter, their names and addresses and/or the name and address of any other third party to whom monies are transferred from the account and/or deposit, after the beneficiary's death.

8. Banking communication services

8.1 General

The provisions of this clause 8 shall apply where the Bank allows the Customers to receive services provided through banking communication systems enabling the Customers to communicate with the computers of the Bank and/or someone on its behalf (hereinafter referred to as "**the Bank's computers**"), including direct computer communication systems, Internet communication, e-mail, the relay of files and/or messages, telephone (including IVR [interactive voice response] systems), cellular systems, facsimile, interactive television, palm computers and like systems developed by the Bank from time to time (hereinafter referred to as "**the banking communication systems**" or "**the systems**" or "**the service channels**").

The Customers joining a certain system shall take place in such manner as permitted by the Bank. In addition, the joining of systems and/or use of platforms that do not belong to the Bank (for example an EDI – Electronic Data Interchange system or SWIFT MESSAGING SERVICES SCORE) (hereinafter referred to as "**third party systems**") are likely to be subject to agreements, to which the Bank is not a party, between the Customers and third parties, and it is expressed that they shall not derogate from the Customers' obligations pursuant to the terms and conditions of this document.

Having regard to the type of system, the services might include the receipt and transfer of information and/or giving of instructions/relay of requests for the execution of transactions in accounts and/or giving of instructions and/or relay of requests for transactions involving the debit of any of the accounts and credit of accounts of third parties at the Bank and/or credit of accounts at other banks and/or provision of technical support and/or other transactions of any type, including the joining of new systems, that the Bank allows to be executed through the systems from time to time (hereinafter referred to as "**the services**").

If the Bank approves the Customers' joining the systems, the services shall be provided to them on the following terms and conditions:

8.2 Definitions

In this clause 8, the following expressions shall bear the meanings set forth alongside them:

- 8.2.1 "**the Bank**" – as defined above, including anyone on its behalf, and *inter alia* a credit card company, as defined in Part D;
- 8.2.2 "**the accounts**" – the account, as defined in the preamble hereto, and other accounts joined to the relevant system;
- 8.2.3 "**the machine**" – the computer, communication equipment, card reader, smart cards, identification means and any equipment, hardware and software used by the Customers for the purpose of the communication and all the ancillary functions, including data protection;
- 8.2.4 "**the Bank's equipment**" – all the machine's components given to the Customers by the Bank;
- 8.2.5 "**giving of instructions**" – the giving of instructions for the execution of transactions through the systems, directly to the Bank's computers, without the intervention of a banker.

The Bank shall decide, based on the criteria determined by it from time to time, what types of transactions will be executed in the giving of instructions format;

- 8.2.6 "**relay of requests**" – the systems' use for the purpose of relaying requests for the execution of transactions to the Bank, through the intervention of a banker.

The Bank shall decide, on the basis of the criteria determined by it from time to time, what types of transactions shall be handled in the relay of requests format.

8.3 The services' receipt

- 8.3.1 The Customers may execute transactions the execution of which through the systems joined by the Customers is allowed by the Bank from time to time, in accordance with the services and in such accounts and/or deposits as they choose.

- 8.3.2 The Customers undertake to study and familiarize themselves with the systems, the way in which they operate and their use possibilities, before commencing the use thereof. The services' receipt by the Customers shall

be in accordance with the Bank's instructions, as furnished to the Customers from time to time. In addition to the aforesaid, customers using third party systems shall obtain additional instructions from their suppliers regarding the manner and conditions for their use.

8.3.3 The execution of any transaction within the framework of the services shall be subject to the rules, terms and conditions customary at the Bank in respect of such type of account/s, sphere/s of activity and transaction/s, on the date of giving the instructions for the transaction's execution by the Customers through the systems (and in respect of transactions executed in the relay of requests format – on the date on which the Bank executes the transaction, if approved), as though executed at the Bank's branch. The Customers agree that the above terms and conditions shall apply to and bind them, and the Customers shall be deemed to have signed the forms in the text customary at the Bank at such time for the purpose of executing such transaction.

8.3.4 The Customers acknowledge that the giving of instructions and/or relay of requests for the execution of a transaction does not guarantee actual execution. Actual execution depends on all the terms and conditions mentioned in this document and on other terms and conditions, including the absence of any legal or other impediment, production of all the documents required for the transaction's execution and subject to the transaction not being likely to expose the Bank to considerable or unreasonable risk, in its discretion, including because of the transaction amount or if the Customers' relevant account balance at the Bank – plus the amount of the credit and/or overdraft expressly approved by the Bank for the Customers that the Customers have not yet utilised – is insufficient (hereinafter in this clause 8 referred to as "insufficient balance"). In such cases, the Bank may decline to execute the transaction or may execute it fully or partially or proximately.

8.3.5 Before the giving of an instruction and/or relay of a request for the execution of any transaction, the customers shall ascertain the existence of a sufficient credit balance to cover the transaction in the relevant account, or the existence of suitable collateral that the Bank has agreed to consider,

which shall enable the Bank to act accordingly. The Customers agree that the Bank may, without obligation, execute the transaction even if the relevant account balance is insufficient or there is no suitable collateral. For the avoidance of doubt, it is expressed that the Bank's consent to execute any transaction in the absence of a sufficient balance does not oblige it to agree to the execution of additional transactions in such cases.

8.3.6 Where an instruction and/or request to execute any transaction is given to the Bank, the Bank may do all the acts obliged in connection therewith, in its discretion, and any such act shall bind the Customers.

8.3.7 The Bank may refuse to execute a request relayed through any of the systems also having regard to the circumstances existing on the day on which the transaction is supposed to be executed.

8.3.8 If the Bank allows the execution of any transaction on the assumption that the Customers have signed a basic or general document and/or form that according to the Bank's practice must be signed before the giving of an identical instruction in writing and the Bank later learns that the Customers have not signed such document and/or form; and if the Bank reaches the conclusion that any instruction and/or request is tainted by a lack of clarity or in the Bank's opinion should not be carried out in its entirety without obtaining further details, information or explanations from the Customers, the Bank may, at its election, decline to act at all in accordance with such instruction and/or request or execute it only partially or act in another manner that in the Bank's discretion, having regard to the circumstances of the case, constitutes proximate performance of the said instruction and/or request.

"Lack of clarity" for the purpose of this sub-clause 8.3.8 – whether the lack of clarity is in the content of the instruction and/or request or the manner in which the instruction and/or request was received.

8.3.9 The Customers hereby authorise the Bank to debit any of their accounts in all the amounts required for the purpose of executing the transactions, including for the purpose of making transfers and paying levies and taxes pursuant to any law.

8.4 Finality of instruction and/or request

- 8.4.1 Transactions executed through the systems in the giving of instructions format may not be cancelled.
- 8.4.2 Requests to execute transactions relayed through the systems may be cancelled in those systems so permitting, so long as they have not been approved by the Bank.

8.5 Limits on amounts

The Bank may from time to time determine a ceiling for the execution of a single transaction through the systems and/or a daily/monthly/other ceiling decided upon by the Bank (hereinafter referred to as “**the ceilings**”), in addition to the limits imposed on their execution pursuant to the terms and conditions of this document. The Customers undertake to act solely in the framework of the permitted ceilings as published by the Bank from time to time.

If the Bank receives instructions or requests through the systems for the execution of transactions deviating from the ceilings determined by the Bank, the Bank may, without obligation, execute them, and such transactions, if executed, shall bind the Customers.

8.6 Additional terms and conditions applicable to the execution of a transaction

- 8.6.1 In addition to the provisions of clause 46 below, services provided through the systems in relation to international trade shall be governed by the relevant rules, as the case may be, published by the International Chamber of Commerce in Paris, in force on the date of giving the instruction to execute the transaction by the Customers (and in respect of transactions executed in the relay of requests format – in force on the date on which the Bank executes the transaction, if approved).
- 8.6.2 The Customers undertake to furnish the Bank with all the documents and certificates required by law for the purpose of executing any transaction in respect of which they have given an instruction or relayed a request.

8.7 Dates of receiving the services

- 8.7.1 The transactions in respect of the execution of which instructions are given and/or requests relayed through the systems, if executed, shall be given the value of that business day (in Israeli currency or foreign currency, as the case may be), in accordance with the Bank’s instructions.

- 8.7.2 The Customers are under a duty to ascertain on what date a request relayed through the systems will be carried out.

8.8 Validity of instructions

- 8.8.1 In addition to the provisions of clause 8.17.3 below, the Customer’s choice of a particular transaction type on any of the systems’ screens and/or the Customers’ transmission of a message with a specific identification and format, as entered on the Bank’s computers, constitutes prima facie proof of the selection of the transaction type and/or transmission of the message.

8.9 Information on the execution of transactions through the systems and information relayed through the systems

- 8.9.1 Information on transactions executed through the systems shall appear in the Customers’ relevant account statements.
Save for cases in which there is a legal duty to do so, the Bank shall not be liable to send the customers notices of the execution or non-execution of transactions in respect of which instructions were given, or requests relayed, through the systems.
- 8.9.2 After the relay of any request, the Customers shall check the execution or non-execution thereof.
- 8.9.3 Cancelled.
- 8.9.4 The service channels shall be used, in accordance with the characteristics of each service, for the dispatch and/or furnishing, from time to time, from the Bank and/or to the Bank, of information of whatsoever type in connection with the account, including account statements, notices and letters, as well as data, publications and general information (including marketing information and general advertising material and/or about banking products and/or services) and the like, which shall be sent by the Bank in its discretion (hereinafter in this clause 8 jointly and severally referred to as “the information”).
- 8.9.5 The information might also include information that there is a legal duty to furnish.
- 8.9.6 The information furnished through the communication channels is furnished in a summary fashion only and might also be only partial information, inter alia because of the limited volume of the communication channels. In order

to obtain the full information, it is necessary to contact the Bank.

- 8.9.7 In addition, it is emphasised, *inter alia*:
- 8.9.8 certain events, transactions and data, such as debits and credits (including in respect of cheques), deposit revaluations and more, might not be final and might change or not be executed at all. In addition, there might be other events, transactions and data that do not find expression in the scope of the information;
- 8.9.9 the information is partially obtained from third parties; it might change from time to time and is provided “as is”, for the Customers’ convenience and personal use. *Inter alia*, the Customers should take into account that after its publication, there might be changes in the information that will not necessarily find expression in the scope of the services;
- 8.9.10 the information might refer to services and products that are offered for a limited time and in a limited quantity. The information does not include all the binding terms and conditions in respect of the services and the products and does not reflect the full range of services and products offered by the Bank.

8.10 **Risks, liability and data protection measures**

- 8.10.1 By virtue of the fact that the systems are based on software, hardware and communication networks, they are vulnerable to the risks inherent in such systems, including malware (viruses, Trojan horses and the like), communication line eavesdropping, hacking by hostile entities, posing as the Bank’s site or any of the systems and other online types of fraud, disruptions in the systems’ operation and/or response times, non-availability of the systems and/or any of their services (and not in all of the cases will an alternative channel be available to the Customers) and the like. The Bank is investing considerable effort in providing protection against these risks; nonetheless, absolute protection is not possible and damage and/or loss may result from the realisation of any of the risks, including the disclosure and/or disruption of information transmitted through and/or presented in the systems, and/or lack of currency thereof, disruption of instructions/requests, unauthorised operations in accounts, non-execution, erroneous execution and/or late

execution of any instruction/request. The aforesaid is especially emphasised in view of the use of systems and/or components that are not in the Bank’s control. In order to reduce the risk, the Customers must pay strict attention to data protection, as provided below.

- 8.10.2 When using the systems, and when applying to a technical support centre, the Customers are responsible for exercising the data protection and identification methods set forth in the instructions published by the Bank from time to time. **The Customers undertake to maintain absolute confidentiality in respect of codes and/or subscriber numbers and/or passwords and/or PINs (personal identification numbers) and/or private keys and the like, including the physical means on which they are recorded and other physical means used for identification and/or data protection in the systems (hereinafter referred to as “data protection measures”) and to keep them in their exclusive possession and inaccessible to others. If the Customers use the systems through persons authorised on their behalf, who are noted as such in the Bank’s records (hereinafter in this clause 8 referred to as “the authorised representatives”), they undertake to notify the authorised representatives of these terms and conditions and to ensure that each of the Customers and the authorised representatives act as detailed in this clause 8. Insofar as the Customers receive data protection measures for the authorised representatives, they undertake to immediately furnish them to each authorised representative, such measures being closed and intact. The data protection measures are personal and the Customers acknowledge the importance of following the data protection measures, by each of them and their authorised representatives personally, since these measures are the sole means of identifying them. Without derogating from the aforesaid, it is emphasised that keeping the data protection measures on the computer is absolutely prohibited. The Customers and the authorised representatives must replace the data protection measures as directed by the Bank, at least at the intervals determined by the Bank. Codes, passwords and the like that are**

- chosen by the Customers and the authorised representatives shall be as random and difficult to guess as possible.
- 8.10.3 Cancelled.
- 8.10.4 **It is emphasised that the information might be accessible to anyone with access to any of the means used to obtain the service and/or the machine and/or data protection measures; accordingly, the Customers must keep them in their exclusive possession.**
- 8.10.5 The Customers agree and undertake as follows:
- (1) not to transmit idle data (such as spam and the like), or erroneous and/or unreasonable data;
 - (2) not to allow the data protection measures or the Bank's equipment to be altered, copied and/or sabotaged, and not to permit unauthorised use thereof;
 - (3) the Customers shall be exclusively liable for safeguarding all information received by them through the systems;
 - (4) to strictly comply with the data protection instructions published by the Bank from time to time in connection with the service channels and the services.
- 8.10.6 Cancelled.
- 8.10.7 Cancelled.
- 8.10.8 For the purpose of connecting to third party systems that use a public key (for example, an EDI system) or other data relevant to communication with the Bank and receipt of the services through them, the Customers must give the Bank the public key for decoding their transmissions and/or the data as aforesaid.
- 8.10.9 In the event of a change in the public keys and/or any of the data mentioned in clause 8.10.8 above by the Customers, the Customers must furnish them to the Bank before commencing the use thereof.
- 8.10.10 The presentation of the risks as set forth in this clause 8 does not derogate from the liability of any of the parties.
- 8.11 **The means used to obtain the services**
- 8.11.1 The Customers undertake to ascertain that the means used by them to obtain the services (for example, desktop computers or laptops, cellular means and the like) are technically suitable for their receipt and support the requested service.
- 8.11.2 The the receipt of certain services (for example, SMS notices) is subject to the means used to obtain the service being within the reception and transmission range and other limitations of the relevant service channel, *inter alia* its availability, including on the part of the service channel providers (the cellular operators, Internet providers and the like). Without derogating from the aforesaid, the Customers agree to the information's relay through the service channel operators/providers.
- 8.12 **Notice of malfunctions and irregularities**
- The Customers shall notify the Bank immediately upon learning of any misuse of the systems or reasonable apprehension thereof, including the disclosure and/or loss and/or theft of data protection measures and/or giving of an instruction or relay of a request to execute any transaction in their accounts and/or information received or relayed without their authorisation, and of any disruption and/or malfunction and/or error and/or receipt of information about any third party and/or accounts operated in the name of others, through the systems.
- 8.13 There might be occasions on which it is not possible to use the systems, fully or partially, for any reason. In such case, the Customers are referred to the Bank's branches and/or automated machines and/or other service channels to which they have subscribed (subject to their working hours)
- 8.14 **The machine's installation, operation and maintenance**
- 8.14.1 Liability for the machine's installation, operation and maintenance shall rest with the Customers alone.
- 8.14.2 With regard to the Bank's equipment, the Customers agree and undertake as follows:
- (1) Title to the Bank's equipment is and shall at all times be vested in the Bank, and the Customers shall only have a personal license to use the equipment for their own purposes, in accordance with the Bank's instructions. The Customers undertake not to permit any third party to use and/or service the Bank's equipment without the Bank's prior written consent. The Customers undertake to take all reasonable steps to protect the Bank's equipment from being misused and/or used for a purpose other than that for which it was given.

- (2) The Customers undertake to keep the Bank's equipment in proper working order and, *inter alia*, to act to such end in accordance with the Bank's instructions.
- (3) In the event that the services are terminated in accordance with clause 8.17 below, the Customers shall return the Bank's equipment to the Bank's branch within 14 days of the services' termination, intact and in working order. The software shall be returned to the Bank and the Customers shall destroy all copies of the software in their possession. If the Bank's equipment is not returned to the Bank within such period of time, or is returned but is not intact and/or not in working order, the Customers shall pay the Bank the cost of the Bank's equipment, in accordance with the Bank's prevailing tariff, and the Bank may debit the Customers' account with the said amount.

8.15 **The systems' software**

- 8.15.1 All the rights of whatsoever type, including, but without derogating from the generality of the aforesaid, any copyright, patent, trade secret, trade mark and any proprietary right in any software developed or to be developed by or for the Bank in the scope of and/or in connection with the systems (herein referred to as "the software") shall be exclusively, fully and absolutely owned by the Bank or the third party from whom the Bank acquired the right to use the software.
- 8.15.2 The Customers undertake not to infringe the rights of the Bank and/or any third party in any software given to them (including by way of downloading) and to make every effort and take all steps to prevent an infringement as aforesaid by third parties, including their employees and anyone acting on their behalf.
- 8.15.3 The Customers undertake not to make any copy of the software, except for back-up purposes, and not to allow any other person and/or entity to make any use of the software or part thereof.

8.16 **Support centres**

The Bank may, in its discretion, operate designated centres for the purpose of providing support in connection with the services to the Customers who have subscribed to the services and their authorised representatives.

8.17 **Changing, blocking/ceasing the services**

- 8.17.1 The Bank may, at any time, in its discretion, change the services and/or block and/or finally, temporarily, fully or partially cease providing the services to the Customers and/or the authorised representatives through the systems, on 14 days' notice.
- 8.17.2 Notwithstanding the aforesaid, the Bank may permanently, temporarily, fully and/or partially block and/or cease the services in its discretion, without notice, in exceptional cases deriving from the Bank's immediate need to protect itself and/or its customers and/or third parties, including in each of the following cases:
 - (1) in the event that the Bank learns of cases of the type stated in clause 8.12 above and in any other case of a substantial malfunction, disruption or fault and/or clarification and/or the existence of reasonable concern of hacking into the systems and/or misuse of the systems;
 - (2) in the event that the Bank receives notice of cancellation of the authorisation of any of the Customers' authorised representatives or on the occurrence of an event that results in the authorisation's cancellation;
 - (3) in the event of execution of a transaction deviating from the Bank's instructions, in any of the systems;
 - (4) in any case in which the Bank may reduce or cancel the Customers' credit facility or call for the immediate payment of any credit that it has provided to the Customers;
 - (5) in the event that the Bank is precluded from continuing to provide the services for reasons connected to any third party and/or for technical reasons and/or pursuant to any law, and/or in accordance with Bank of Israel's Directives, as shall be from time to time.
- 8.17.3 Without derogating from the aforesaid, it is expressed that there might be cases of the services' cessation for the purpose of maintenance works and/or upgrading in respect of which notice will not necessarily be given.
- 8.17.4 The Customers may at any time notify the Bank that they no longer wish to receive the services, or any of them, including through the systems allowing this.

- 8.18 **The Bank's records and record-keeping**
- 8.18.1 The provisions of this clause 8.18 are in addition to the provisions of clause 29 below.
- 8.18.2 The Bank shall keep mechanised records of the execution of transactions and computer-generated enquiries made through the systems and shall keep the records for such periods of time as it decides, which shall not be less than six months for records of transactions and 60 days for records of computer-generated enquiries. In addition, the Bank may, without obligation, record (voice recording, picture including the system screens, or in any other way) the Customers' communications through the systems and store the recordings. In such case, the aforesaid records and recordings shall be deemed part of the Bank's records.
- 8.18.3 All the Bank's records concerning the existence, time and content of any instruction and/or request for the execution of a transaction and/or the receipt or relay of information through the systems, and concerning the relay of information by the Bank to the Customers and/or their e-mail boxes – shall serve as prima facie proof of the authenticity of their content.
- 8.18.4 In the event of any contradiction between the data on the Bank's computer and the data on the Customers' computer, or on the computer of any third party, the data on the Bank's computer shall prevail.
- 8.18.5 Cancelled.
9. Cancelled.
10. Cancelled.
11. Cancelled.
12. **Account in the name of a business**
If the Customers request the Bank to operate the account, as defined in the preamble hereto, in their name, whilst noting the name of a business (hereinafter referred to as "**the business name**"), the following provisions shall apply:
- 12.1 The use of the business name does not negate or derogate from the Customers' obligations to the Bank, pursuant hereto or pursuant to any other document signed by them vis-à-vis the Bank.
- 12.2 The Customers constitute all the persons/entities managing their business whilst stating the business name, and to

the best of their knowledge no other business is managed under this name.

- 12.3 Cancelled.
- 12.4 The Customers may deposit, to the credit of the account and/or foreign currency account, promissory notes, cheques, documents and other negotiable instruments (hereinafter in this clause referred to as "**the documents**") designated for them, drawn up to the order of the business name.
- 12.5 The Customers undertake to indemnify and compensate the Bank on its first demand for any damage, loss or expense that might be occasioned to it, directly or indirectly, in consequence of the Customers' use of the business name, including if it transpires that any of the documents were not intended for the Customers or any of them but for others and/or that the Customers were not entitled to deposit them to the credit of the account. The Bank may debit the account and/or any other account of the Customers with it in respect of the Customers' said undertaking..
- 12.6 The Bank may cancel the arrangement mentioned in this clause at any time, in its exclusive discretion, and notify the Customers thereof.

PART B – CREDIT IN THE ACCOUNT

13. **Terms and conditions for receiving credit in the account**
The terms and conditions set forth below in this clause (clause 13) shall apply to loans and/or credits in unlinked Israeli currency and/or index-linked Israeli currency and/or foreign currency linked Israeli currency and/or in foreign currency provided in accounts operated under the above mentioned Customer number, in the amounts, for the periods, on the payment dates, at the interest rates and in accordance with the other terms and conditions (if any) stated in the request/s submitted by the Customers to the Bank and/or in supplementary documents submitted by the Customers to the Bank (requests as aforesaid together with the supplementary documents are hereinafter referred to as "**the credit request**" and shall constitute an integral part hereof). The Customers agree that in the event that the Bank agrees to provide them with any credit and/or loan in an account, the credit and/or loan account shall be operated in accordance with the terms and conditions set forth below, in accordance with the relevant credit type and the other terms and conditions detailed in the request.

(Any loan or credit received by the Customers as aforesaid is hereinafter referred to as “**the credit**”, the currency in which the credit is given is hereinafter referred to as “**the credit currency**” and the account in which the credit is received is hereinafter referred to as “**the credit account**”).)

13.1 **Manner and date of providing the credit**

If the Bank agrees to provide credit to the Customers, the Customers request the Bank to transfer the credit amount to the credit of the account whose number is mentioned in the credit request.

The date of the credit's provision shall be the date on which the said account is credited as aforesaid.

The Bank shall not be liable to give any credit to the Customers or to renew any credit given to them.

13.2 **Manner of payment and prepayment**

13.2.1 The credit, the interest thereon, the index linkage, the foreign currency linkage, commission and the Bank's expenses shall be paid to the Bank at such times as noted in this document and/or the credit request.

13.2.2 The Customers may prepay the amounts due, or some of them, before their agreed payment date (hereinafter in this clause 13.2.2 referred to as “**prepayment**”), subject to payment of a prepayment commission and other terms and conditions customary in the Bank on the date of making any prepayment.

If on the prepayment date there is any legal provision (including Bank of Israel's Directives) limiting the amount of the prepayment commission that the Bank may demand, or stipulating other terms and conditions for prepayment – the prepayment shall be subject to such legal provisions and the Bank may make the prepayment conditional upon payment of the highest rate/s and/or amount/s of prepayment commission permitted by law for such type of credit on the date of making the prepayment.

In any other case, the Bank may make the prepayment conditional upon payment of such prepayment commission and additional payments and other conditions precedent that in the Bank's opinion reasonably express the damage that will be occasioned to it by prepayment on such date.

It is hereby agreed that section 13(b) of the Pledges Law, 5727-1967 and any other section replacing it shall not apply to the prepayment.

13.2.3 All the amounts credited to the credit account shall be applied firstly towards payment of the Bank's expenses, secondly towards payment of commission, thirdly towards payment of the interest and index linkage and/or foreign currency linkage and the compensation mentioned in clause 13.15 below and finally towards repayment of the credit principal.

13.2.4 The Customers undertake to pay the Bank any amount on account of the credit, the interest and the index linkage or foreign currency linkage in respect thereof, at the branch at which the Customers received the credit.

PART B (1)

Special terms and conditions for unlinked credit in Israeli currency

13.3 **Business day**

If the first debit date in respect of the principal or interest falls on the last day of any month, or on a day that does not have an overlapping day in one of the relevant months thereafter, respectively, any subsequent debit date shall fall on the last day of the relevant month, in accordance with the provisions of the credit request.

In the event that the date of any payment pursuant to this document and/or the credit request (hereinafter referred to as “**debit date**”) falls on a day that is not a business day – the said date shall be postponed to the first business day thereafter.

13.4 **Calculation of interest**

13.4.1 The unpaid balance of any credit shall bear interest on the daily balances in respect of the period commencing on the date of the credit's provision to the Customers and ending on the date of its actual repayment to the Bank. The interest shall be calculated on the basis of the number of days that have actually elapsed divided by 365 or 366, in accordance with the number of days in the year in which the relevant period falls. If part of the period to which a particular interest rate applies is in a 365 day year and the other part in a 366 day year, the calculation shall be made in respect of each part of the said period separately, in accordance with the number of days in the year to which the said part applies.

13.4.2 Notwithstanding the aforesaid, if it is agreed that the principal and the

interest shall be paid in accordance with the Shpitzer table method, the interest shall be calculated in respect of the period commencing on the date of the credit's provision and ending on the date of its actual repayment on the basis of a 360 day year and a 30 day month.

- 13.4.3 The interest rate shall be noted in the credit request.
- 13.4.4 The interest shall be paid to the Bank on such dates as noted in the credit request (hereinafter referred to as “**interest payment date**”).
- 13.4.5 The first interest payment shall be made in respect of the period commencing on the date of the credit's provision to the Customers and ending on the interest payment date subsequent to the date of the credit's provision. On every interest payment date after the aforesaid payment, interest shall be paid in respect of the period that has elapsed from the interest payment date preceding the payment of interest as aforesaid until the said interest payment date.

13.5 **Default interest**

Any amount due to the Bank pursuant to this document or the credit request that is not paid by the Customers on the date fixed for its payment in this document or in the credit request or that is not paid on the Bank's first demand pursuant to clauses 13.26 or 23 below, as the case may be, shall bear – in respect of the period from the date on which the Customers should have paid it until the actual payment thereof – default interest on the daily balances (calculated as provided in clause 13.4 above) at the following rates:

- 13.5.1 default interest at the maximum legal rate prevailing from time to time, in respect of credit of the type provided to the Customers;
- 13.5.2 if there is no legal limit on the default interest rate, maximum interest, as defined in clause 41 below.

For the avoidance of doubt, it is expressed that the Bank's right to interest as aforesaid and the actual collection thereof shall not derogate from its right to take (or continue taking) all the steps for the purpose of collecting any amount not paid to it by the Customers on time or on its demand as aforesaid.

13.5A **The Bank's right to demand a cost supplement or call for immediate payment**

The provisions of sub-clauses 13.15.2 and 13.15.4 below shall also apply to unlinked Israeli currency credit, *mutatis mutandis*.

PART B (2)

Special terms and conditions for index-linked Israeli currency credit

13.6 **Business day**

The provisions of clause 13.3 above shall also apply to index-linked credit; however, if the debit date falls on a day that is not a business day and that is also the last day of any month, it shall be brought forward accordingly, to the last day of the said month that is a business day.

Any reference in clause 13.3 or in this sub-clause above to debit date shall also apply to “the determining date”, if this expression is mentioned in the credit request.

13.7 **Calculation of interest**

The provisions of clause 13.4 above shall also apply to index-linked credit.

13.8 **Default interest**

The provisions of clause 13.5 above shall also apply to index-linked credit.

13.9 **Linkage terms and conditions**

Payments of the principal and interest in respect of any credit pursuant to this chapter shall be index-linked, and the Customers shall pay the Bank, in respect of this credit, amounts calculated in accordance with the linkage terms and conditions set forth in this clause.

13.9.1 “**Index**” – as defined in the “definitions” clause in the general chapter of this document;

“**the new index**” – the index last published prior to the date on which the relevant interest or principal payment falls due. If the principal or interest payment falls due on the 15th of the month and such day is not a business day, and the payment is therefore postponed, the new index shall be the index published in respect of the preceding month;

“**the base index**” – the index last published prior to the provision of the credit or any part thereof, in respect of such part of the credit.

13.9.2 (1) Payments of the credit principal and the interest thereon shall be linked to changes in the index, as provided below and in accordance with the terms and conditions of the request.

If on the payment date of any amount of principal or interest it transpires that the new index has risen compared to the base index, the Customers shall make the said payment to the Bank with it being increased pro rata to the rise in the new index compared to the base index. If on the payment date of any amount of principal or interest it transpires that the new index is less than the base index, the Customers shall pay the said amount to the Bank with it being decreased pro rata to the fall in the new index compared to the base index. If the new index is equal to the base index, the Customers shall pay the said amount to the Bank as they would have been liable to do were it not for the provisions of this clause.

- (2) In addition to the provisions of sub-clause 13.9.2(1) above, if the Customers default in making any payment of principal or interest, they shall make the said payment with it being increased/decreased pro rata to the rise/drop in the new index compared to the base index. The provisions of this sub-clause do not derogate from any other provision in this document concerning payment defaults.

Notwithstanding the definition of “the new index” in sub-clause 13.9.1 above, if an index is not published in respect of any month/s (hereinafter referred to as “**the missing index**”) and any payment for a transaction or of principal or interest falls due after the date on which it should have been published, the account shall be debited with such payment with it being increased/decreased temporarily on the basis of the index last published prior to such date. If it transpires that the missing index published after the said payment date has risen compared to the index that served as a temporary basis for such payment, the Customers shall, on the next date for the payment of any principal or interest, or, at the Bank’s election, within 14 days of the missing index’s publication, pay the differences in according with their value on the original payment date. If it transpires that the missing index published after the said payment date has fallen compared to the index that served as a temporary basis for such payment, the Customers shall, on the next date for the payment of any principal or interest, or, at the Bank’s election, within 14 days of the missing index’s publication, make the payment due from them at such time less the

differences as aforesaid, in accordance with their value on the original payment date.

- 13.9.3 In this clause 13, “linkage” or “index linkage” mean – the amounts due to the Bank pursuant to the linkage terms and conditions set forth in this clause in addition to the principal or interest due to the Bank in respect of any credit.

13.9A The Bank’s right to demand a cost supplement or call for immediate payment

The provisions of clauses 13.15.2 and 13.15.4 below shall also apply to index-linked Israeli currency credit, *mutatis mutandis*.

PART B (3)

Special terms and conditions for foreign currency credit

13.10 Cancelled.

13.11 Manner of paying the credit

All the amounts due from the Customers to the Bank on account of the credit, interest, commission and expenses shall be paid to the Bank in the credit currency; however, the Bank may demand the payment of all or part thereof in Israeli currency, in accordance with the BLL rate for transfers and cheques or for banknotes, as applicable, determined by the Bank on the relevant date as the rate at which the Bank will sell its customers the relevant foreign currency in exchange for Israeli currency, plus exchange commission and any tax, levy, compulsory payments or other payments and the like.

13.12 Business day

The provisions of clause 13.3 shall also apply to foreign currency credit; however, if the business day following the debit date, to which the said debit date is postponed, falls in the month following that in which the said debit date falls, the debit date shall be brought forward to the last business day of such month.

In this sub-clause and in sub-clause 13.13.2(2) below, “business day” means a day on which banks in London execute transactions between them in deposits in the credit currency on the London inter-bank market, which is also a day on which the Bank actually executes transactions in the credit currency without limitation on the amount of the transactions, and in respect of which banking corporations generally clear banking instruments.

13.13 Interest

- 13.13.1 The provisions of clause 13.4 above shall also apply to foreign currency credit, but the interest shall be calculated on the basis of the number

of days that have elapsed divided by 360.

13.13.2 Subject to the provisions of clause 13.14 below, the credit interest rate shall be as follows:-

- (1) a fixed rate stated in the credit request; or, if no such rate is stated:
- (2) a rate exceeding LIBOR by a particular percentage (as stated in the credit request).

For the purpose of this part, “LIBOR” (London Inter-Bank Offered Rate) means– the highest interest rate (rounded up to the nearest 1/8th (one eighth) of a percent) at which the London inter-bank market offers inter-bank deposits in the credit currency for a period parallel to the interest period, as quoted at or about 11:00 hours (London time) and published by Reuters News Service.

If on any relevant date the LIBOR rate is not published by Reuters News Service as aforesaid, it shall be determined in the manner provided above in accordance with the publications of another news service or in accordance with any other publication that in the Bank’s opinion constitutes a suitable alternative to publication by Reuters.

Notwithstanding the aforesaid, if the Bank decides that on any relevant date for determining the LIBOR rate it is unable to obtain deposits on the London inter-bank market at the LIBOR rate published as aforesaid, or if in the Bank’s opinion there is no suitable alternative to publication by Reuters as aforesaid, the LIBOR rate for the purpose of determining the interest rate pursuant hereto shall be the rate determined from time to time by the Bank as the interest rate at which the Bank could have obtained, in the London inter-bank market, inter-bank deposits in the credit currency for a period parallel to the interest period.

“**interest period**” means – the number of months stated in the credit request; “month” relates to a period commencing on any date in a particular month and ending on the same date in the following month (hereinafter referred to as “**the overlapping day**”); and any reference to “months” shall be interpreted as relating to a period commencing on any date in a particular month and ending on the overlapping day of the month in which such said

period comes to an end. If the overlapping day falls on a day that is not a business day, the period of a month or months, as the case may be, shall end on the first business day after the overlapping day. Notwithstanding the aforesaid, if any period commences on the last business day of a month or on a date that does not have an overlapping day in the month in which the said period comes to an end, it shall come to an end on the last business day of the month in which the said period comes to an end.

- (3) On the business day falling two business days prior to the date of commencement of the first interest period or, at the Bank’s election, on the date of commencement of the first interest period and on the business day falling two business days prior to the commencement of any other interest period, the Bank shall determine the LIBOR rate and on the basis of its determination the rate of interest the Customers are liable to pay on the unpaid balance of the credit shall be calculated and determined, and the interest rate determined as aforesaid shall apply from the relevant interest period’s commencement until its expiry. Solely for the purpose of this clause, “business day” means a day on which banks in London execute transactions between them in deposits in the credit currency, on the London inter-bank market.
- (4) Any determination and calculation made by the Bank pursuant to sub-clauses 13.13.2(2) and 13.13.2(3) above shall bind the Customers.

13.14 **Default interest**

13.14.1 The provisions of clause 13.5 above shall also apply to foreign currency credit; however, if there is no legal limit on the default interest rate, the default interest rate shall be as set forth below –

- (1) interest at the highest rate prevailing at the Bank from time to time in respect of any loan, credit and credit facilities, in the credit currency, which is not paid to the Bank on time; or, at the Bank’s election –
- (2) interest at the highest rate prevailing at the Bank from time to time in respect of loans, credit and credit facilities, in the credit currency, plus 10% per annum; or, at the Bank’s election –
- (3) interest at the rate stated in the credit request, plus 10% per annum; or, at the Bank’s election –

- (4) interest at a rate exceeding the 24 hour LIBOR, as explained in clause 13.13.2 above, by 13% per annum (and the expression “interest period” in the above mentioned clause shall be interpreted as a period of 24 hours).

13.14.2 Notwithstanding the provisions of sub-clause 13.14.1 above, if any amount due to the Bank pursuant hereto is not paid by the Customers on the date stated herein or on the Bank’s first demand, as the case may be, and if there is no legal limit on the default interest rate, the Bank may charge – instead of interest at the rates set forth in sub-clause 13.14.1 above – maximum interest, in respect of the period from the date on which the Customers should have paid the said amount until its actual payment. If the Bank chooses to charge interest in accordance with this sub-clause, the said interest and the amounts on which interest is charged as aforesaid shall not be governed by the provisions of clause 13.21 below, in respect of the period commencing from the date on which these amounts shall bear maximum interest.

13.14.3 Where the Bank has determined that the default interest shall be at the rate mentioned in one of the above sub-clauses, it may determine from time to time thereafter that another interest rate from amongst the above mentioned rates shall apply.

13.15 The Bank’s right to demand a cost supplement, call for immediate payment or convert credit

13.15.1 If at any time the Bank determines (and any such determination of the Bank shall bind the Customers) that as a result of changes on the London inter-bank market it is unable to fairly determine the LIBOR rate, it shall notify the Customers thereof and in such case, for a period of up to 30 days after the date of the Bank’s said notice (hereinafter referred to as “**the negotiating period**”) the Bank and the Customers shall conduct negotiations, in good faith, towards finding an agreed arrangement in writing that in the Bank’s opinion, from a financial point of view, constitutes a suitable alternative to these terms and conditions. The validity of an arrangement as aforesaid that is agreed upon between the Bank and the Customers in writing (if agreed) during the negotiating period shall be retroactive as of the first day of the negotiating period.

However, if the parties are unable to reach an agreed arrangement in writing by the end of the negotiating period, the Bank shall be entitled to refuse to provide the credit, or some of it, to the Customers, and if the credit or any part thereof has already been provided to the Customers and the parties are unable to reach a written agreement as aforesaid by the end of the negotiating period, the Customers shall pay the Bank, at the end of the negotiating period, without any demand on the part of the Bank, the unpaid balance of the credit (plus interest), provided that if any interest payment date falls within the negotiating period, the Customers shall pay the Bank, instead of interest as provided in the credit request, an amount that in the Bank’s opinion is such as to compensate it for the credit’s continued existence during that part of the negotiating period falling after the said interest payment date. If the Customers do not pay the Bank the unpaid balance of the credit and the compensation or part thereof on time as aforesaid, the Customers shall pay the Bank, in respect thereof, an amount that in the Bank’s opinion is such as to compensate it for the default period plus 10% per annum on the amount of the compensation.

13.15.2 Where as a result of any change in the law (as defined below) or as a result of compliance with any demand, instruction or request – given or referred to the Bank by Bank of Israel or any other competent authority, or as a result of the performance of any of the Bank’s obligations to Bank of Israel or another competent authority, whether the performance of the obligation, instruction, demand or request as aforesaid derives from a change in the law or from an agreement made from time to time between the Bank and Bank of Israel or another competent authority:

- (1) the Bank shall be liable to keep or deposit any foreign currency or Israeli currency or liquid assets or the amounts in foreign currency or Israeli currency or the value of the liquid assets the Bank is liable to keep or deposit; or
- (2) the amount of credit that the Bank may give or continue maintaining or the amounts of the deposits the Bank may make with others are limited or reduced; or
- (3) any demands are imposed on the Bank (or there is a change that in the Bank’s

opinion is, from the Bank's point of view, such as to aggravate any demands) regarding the ratio between the Bank's reserves, on the one hand, and the credit that the Bank may give or continue maintaining or assets or deposits that the Bank may keep or receive, on the other hand; or

- (4) any terms, conditions or limits are imposed on the Bank (or there is a change that in the Bank's opinion is, from the Bank's point of view, such as to aggravate any terms, conditions or limits) in connection with the London inter-bank market or in connection with the Bank's business or activity on the said market (without derogating from the other cases detailed above in this clause); or
- (5) any interest, fines, levies or other payments are imposed on the Bank or the Bank is required to pay them (or there is a change that in the Bank's opinion is, from the Bank's point of view, such as to aggravate these payment requirements); and the Bank determines that as a result of all the aforesaid (that is to say, the provisions of sub-clauses 13.15.2(1) to 13.15.2(5) above) or some of them, there will be an increase in the Bank's costs or expenses in connection with the provision of the credit (or part thereof) or in connection with the continued existence of the credit (or part thereof) or that there will be a reduction in the amounts of principal and interest to which the Bank is entitled in connection with the credit, the Bank may (in each of the cases mentioned in sub-clauses 13.15.2(1) to 13.15.2(5) above) refuse to provide the credit, or part thereof, to the Customers (if it has not yet provided the credit to the Customers) and if the Bank has provided the credit or any part thereof to the Customers – the Customers shall pay the Bank, from time to time, on its first demand, an amount that in the Bank's opinion is such as to compensate it for the increase in the Bank's costs and expenses in connection with the credit or for the reduction in the principal and interest as aforesaid, and the compensation determined by the Bank from time to time as aforesaid shall bind the Customers; however, where the Bank demands compensation from the Customers as aforesaid, the Customers may, with the prior approval of the competent authorities in Israel (if such approval is legally required) pay the Bank the entire unpaid balance of the

credit, subject to fulfillment of the three following conditions –

(a) the Customers shall give the Bank at least 15 days written notice of their intention to pay the Bank the entire unpaid balance of the credit (plus interest); and

(b) the payment of the entire unpaid balance of the credit (plus interest) by the Customers shall be made on the payment date of any interest payment (but not before 15 days as set forth in sub-clause (a) above); and

(c) together with and in addition to payment of the unpaid balance of the credit (plus interest), the Customers shall pay to the Bank the compensation mentioned above, in respect of the period from the occurrence of the event as stated in the Bank's demand until payment of the entire unpaid balance of the credit (plus interest), and for the purpose of this clause, "any change in the law" means a change, in the State of Israel and/or in any other country, in any statute, regulation, order, directive or rule or a change in the interpretation of the aforesaid by any court, tribunal or other authority of such country that is competent to do so or that is entrusted with the implementation of any statute, regulation, order, directive or rule as aforesaid.

13.15.3 If at any time the Bank determines (and any such determination of the Bank shall bind the Customers) that as a result of any change on the local and/or international money market and/or deterioration in the credit rating of the Bank and/or the country, there will be a reduction in the available sources for the provision of foreign currency credit and/or damage to the Bank's ability to finance itself in the currency of the foreign currency credit, the Bank may refuse to provide the foreign currency credit, or part thereof, to the Customers, or if all or part of the foreign currency credit has already been provided to the Customers, the Bank may, in its discretion, convert the foreign currency credit into Israeli currency credit, by providing the credit in Israeli currency, as the case may be, in the amount required to cover all the amounts due at such time on account of the relevant credit the consideration for which shall be transferred to the credit of the credit account existing at such time. The credit shall be converted at the Bank's customary rate on the day of effecting the conversion

as aforesaid, and the terms and conditions thereof shall be as similar as possible to the terms and conditions of the original foreign currency credit. The interest on the Israeli currency credit shall be at the rate agreed between the Bank and the Customers. If the parties are unable to reach an agreed arrangement within seven days, the Bank may call for immediate payment of the unpaid balance of the credit (plus interest); and if the Customers do not pay the Bank the unpaid balance of the credit, the Bank may convert the credit as aforesaid, and the interest on the Israeli currency credit shall be at the maximum rate prevailing in respect of similar credit in Israeli currency. For the purpose of effecting conversion, the Customers shall not be charged the exchange commission collected by the Bank on the purchase or sale of foreign currency, or any other compulsory levy in force at such time.

- 13.15.4 If at any time the Bank determines (and any such determination of the Bank shall bind the Customers) that as a result of any change in the law, the provision of all or part of the credit to the Customers or – if all or part of the credit has been provided to the Customers – that the continued existence of the credit will become illegal, impossible or impractical for the Bank, the Bank may refuse to provide all or part of the credit to the Customers or – if all or part of the credit has already been provided to the Customers, the Bank may call upon the Customers to pay the unpaid balance of the credit, (plus interest) and the Customers hereby undertake to pay all the said amounts to the Bank within 30 days of the Bank's first demand, provided that in the said demand it is stated that it is based on the provisions of this sub-clause.

13.15A **The Bank's right in certain cases to convert foreign currency credit to Israeli currency credit**

Without derogating from any right vested in the Bank pursuant hereto, it is agreed that in any of the cases vesting the Bank with a right to call for immediate payment of the unpaid balance of the foreign currency credit, the Bank may at any time convert the foreign currency credit, or part thereof, into Israeli currency, after calling for the immediate payment thereof, or only the amount in default, by providing Israeli currency credit, as the case may be, in the amount required to cover all the amounts due at such time on account of the relevant foreign currency credit

the consideration for which shall be transferred to the credit of the credit account existing at such time. The credit shall be converted at the Bank's customary rate on the credit conversion date, and the interest on the Israeli currency credit shall be at the maximum rate prevailing in respect of similar credit in Israeli currency. The Customers undertake to pay the Bank the credit provided to them in Israeli currency as aforesaid immediately. The Israeli currency credit shall be deemed for all intents and purposes to be the original credit that was provided, *mutatis mutandis*.

PART B (4)

Special terms and conditions for foreign currency linked Israeli currency credit

13.16 **Manner of paying the credit**

All the amounts due from the Customers to the Bank on account of credit, interest, commission and expenses shall be paid to the Bank by paying their consideration in Israeli currency, plus foreign currency linkage as provided in clause 13.21 below.

13.17 **Business day**

The provisions of clause 13.3 above shall also apply to foreign currency linked credit; however, with regard to this sub-clause and sub-clause 13.18.2 below, "business day" shall bear the meaning attributed to it in clause 13.12 above.

13.18 **Interest**

13.18.1 The provisions of clause 13.4 above shall also apply to foreign currency linked credit.

13.18.2 Subject to the provisions of clause 13.19 below, the interest rate on the credit shall be as set forth in clause 13.13.2 above; however, the words "inter-bank deposits in the credit currency" shall be replaced by the words "inter-bank deposits in the currency to which the credit is linked".

13.19 **Default interest**

The provisions of clause 13.14 above shall also apply to foreign currency linked credit; however, the expression "in the credit currency" shall be replaced by "in the currency to which the credit is linked" or "in foreign currency linked Israeli currency".

13.20 **The Bank's right to demand a cost supplement or call for immediate payment**

The provisions of clause 13.15 above shall also apply to foreign currency linked credit.

13.21 **Foreign currency linkage**

13.21.1 Principal and interest payments in respect of any credit provided pursuant to this clause shall be linked to the relevant foreign currency rate, and for the purpose of making payments of the principal and interest of the credit that shall be made in foreign currency linked Israeli currency, the Israeli currency credit amounts and the interest thereon shall be calculated in accordance with the linkage terms and conditions set forth in this clause.

13.21.2 In this clause (clause 13.21) –

“the foreign currency rate” – the BLL rate for transfers and cheques determined by the Bank on the relevant date as the rate at which the Bank will sell its customers the relevant foreign currency in exchange for Israeli currency, plus exchange commission and any tax, levy, compulsory payments or other payments, and the like;

“the new foreign currency rate” – the foreign currency rate determined by the Bank and applicable on the date of actually making the relevant principal or interest payment;

“the base foreign currency rate” – the foreign currency rate determined by the Bank and applicable on the date of the credit’s provision.

13.21.3 If on the date of actual payment of any amount of principal or interest, it transpires that the new foreign currency rate has risen compared to the base foreign currency rate, the Customers shall make the said payment to the Bank with it being increased pro rata to the rise in the new foreign currency rate compared to the base foreign currency rate; however, if the new foreign currency rate is equal to or less than the base foreign currency rate, the Customers shall make the said payment to the Bank or to its order calculated in accordance with the base foreign currency rate.

13.21.4 In this clause (clause 13.21), **“linkage”** – the amounts due to the Bank pursuant to the linkage terms and conditions set forth in this clause, in addition to the principal or interest due to the Bank in respect of any credit.

PART B (5) **Special terms for on-call credit**

13.22 **The credit period**

Any credit provided to the Customers by the Bank will be given for a period of seven days, commencing on the date stated in the credit request as the date for the credit’s provision and ending on the date stated in the credit request as the date for the first repayment on account thereof.

13.23 **Calculation of the interest**

13.23.1 The unpaid balance of the credit shall bear interest on the daily balances as provided in clause 13.14.1, or, at the Bank’s election, on the balances in respect of another period prevailing at the Bank, in respect of the period from the date of the credit’s provision until actual repayment thereof to the Bank.

13.23.2 The credit shall bear variable interest at a rate equal to Bank of Israel’s interest as shall be from time to time, plus an interest margin (hereinafter referred to as **“the margin”**). It is expressed that the overall interest rate (Bank of Israel’s interest plus the margin) that is determined is the starting interest rate, which will apply from the date of the credit’s provision until a change in Bank of Israel’s interest as defined below

For the purpose of clause 13.23, **“Bank of Israel’s interest”** means the minimum interest rate, as the case may be, determined by Bank of Israel at the beginning of each month or at any other time determined by Bank of Israel, in the tenders for deposits or loans, as the case may be, held by the Bank of Israel for banking institutions.

13.24 **Manner of payment and prepayment**

13.24.1 The credit and the interest thereon shall be paid to the Bank on the earliest of the three following dates, without a charge for prepayment commission:

- (a) at the end of the credit period;
- (b) on the business day on which the Bank notifies the Customers that they are required to pay the Bank the amount of the credit and the interest thereon;
- (c) on the business day on which the Customers notify the Bank that they wish to pay the amount of such credit and the interest thereon.

13.24.2 The Bank’s demand, in accordance with clause 13.24.1.(b) above, may also be given by the Bank through one of the following means: (a) by telephone call to each of the telephone numbers stated in the request; (b) by facsimile (without the need for telephone confirmation of the facsimile’s receipt) to each of the

facsimile numbers stated in the request; (c) by written notice sent to the address appearing in the Bank's records for sending notices to the Customers, and shall take effect immediately upon its delivery and/or 72 hours after being sent by ordinary mail, whichever is earlier.

13.24.3 Notice of the Customers to the Bank, in accordance with clause 13.24.1.(c) above, may only be given to persons holding the positions stated in the request, by telephone call or facsimile or in writing to the address detailed in the request or any other address in Israel of which the Bank gives notice to the Customers.

13.25 **Default interest**

The provisions of clause 13.5 shall also apply to on-call credit.

PART B (6)

General terms and conditions applicable to all types of credit

13.26 **Calling for immediate payment**

Definitions

In this clause 13.26, the following expressions shall bear the meanings set forth alongside them:

“the Bank” – including the credit card company, as defined in Part D below;

“the card”, “the card holder” and “the card facility” – as defined in Part D below.

13.26.1 Without derogating from the rights and remedies available to the Bank pursuant to any document, including this document, and/or pursuant to any law, it is agreed that on the occurrence of any of the events detailed below, the Bank may, without obligation, in its sole discretion, avail itself of one or more of the remedies detailed below. For the avoidance of doubt, it is expressed that the failure to operate a particular remedy does not derogate from the Bank's right to operate it at any time in the future, and all in the Bank's exclusive discretion and without limitation in time:

- (a) not to provide the Customers with any additional credit that it undertook to provide to them, if at all;
- (b) call for immediate payment of the unpaid balance of any credit or part thereof, plus linkage, rate differentials, outstanding interest, expenses, other charges and outstanding commission, plus default interest applicable to such

type of credit and any other amount that in the Bank's opinion is such as to compensate the Bank for any damage occasioned to it in consequence of the credit's early payment, as provided in clause 13.26 above;

- (c) to increase the interest rate on the credit, or any part thereof, to the rate determined by the Bank, in its exclusive discretion, provided that the interest rate on the credit shall not be higher than the default interest rate on such credit (hereinafter referred to as **“the supplemental interest”**). The new interest rate, including the supplemental interest, shall apply to the credit from the date stated in the Bank's notice until actual payment thereof in full or until the date of the Bank's notice of the supplemental interest's cancellation, whichever is earlier;

- (d) to cancel and/or block the card forthwith and/or restrict its use possibilities and/or cancel the card facility and/or reduce and/or decline to renew it and/or debit the account immediately with all/part of the amounts due from the Customers to the Bank in respect of transactions executed with the card, including in respect of credit received by the Customers through the card, plus outstanding interest, such being even before the regular debit dates and/or deferred debit dates and/or instalment debit dates and/or credit repayment dates, without the need for prior notice, all plus commission.

And these are the events:

(1) if the Customers do not pay the Bank any amount due to it from them pursuant to this document or any document/application issued in connection therewith on the date fixed for the payment thereof;

(2) if an attachment is imposed over all or some of the Customers' assets or if execution proceedings are taken against them;

(3) if a receivership application is filed in respect of the Customers' property, or part thereof, and/or if a receivership order is given as aforesaid and/or if a permanent and/or provisional and/or other receiver is appointed for the Customers' property, or part thereof;

(4) if the Customers commit an act of bankruptcy or if a bankruptcy application or application for the grant of a receivership order is filed against them or if the Customers are declared

bankrupt or if a liquidation application or application for the appointment of a provisional pre-liquidator, liquidator or special manager is filed against the Customers, or if an order is given as aforesaid;

(5) if negotiations commence between the Customers and any of their creditors and/or shareholders and/or members for the purpose of formulating a compromise or arrangement or if the Customers give notice that they intend commencing negotiations as aforesaid or if the court directs that meetings be convened for the purpose of approving a compromise or arrangement or if an application is filed in respect of the Customers for the appointment of an expert to examine an arrangement or recovery application or application for the grant of a suspension of proceedings order or application for the appointment of an official to implement recovery proceedings or if an order is given pursuant to any one of the said applications;

(6) if the Customers' right to use the card is restricted by a competent authority;

(7) the death, legal incapacity, imprisonment or departure from the country of the Customers or the cardholder, or (if the Customers are a corporation) if the aforesaid happens to an individual who directly or indirectly controls the corporation;

(8) if the Customers' name is struck off or about to be struck off from any registry that is kept pursuant to the law and/or a warning is entered in a registry kept in respect of the Customers with the Registrar of Companies of an intention to register the Customers as an infringing company and/or if the Customers are registered in such a registry as an infringing company.

“Infringing company” – within the meaning thereof in section 362A of the Companies Law, 5759-1969;

(9) if the Customers (where the Customers are a corporation) pass a resolution regarding voluntary winding up, a merger as defined in clause 13.29 below, a spin-off, or restructuring, or if the Customers otherwise breach their obligations pursuant to clause 13.29 below, or if there is a change of control in the Customers, directly or indirectly, without the Customers having obtained

the Bank's prior written consent thereto.

For the purposes of this clause (clause 13.26.1), **“spin-off”** – within the meaning thereof in Part E(2) of the Income Tax Ordinance (New Version) or any legal provision replacing it; **“control”** – as defined in the Securities Law, 5728-1968;

(10) if a transaction is executed with the controlling shareholders of the Customers (where the Customers are a corporation), in a manner that may materially affect the Customers' profitability, assets or liabilities;

(11) if the Customers' business activity, manufacturing work or commercial business is ceased and not renewed within 60 days of the cessation or if most of the Customers' assets have been sold;

(12) if the Customers breach or do not perform any of their obligations to the Bank, or on the occurrence of any event or fulfillment of any condition constituting cause to call for immediate payment, or if it transpires that any declaration or confirmation of the Customers is incorrect or inaccurate, whether the aforesaid is included in this document or the credit request or in any other document signed by the Customers in favour of the Bank;

(13) if the Customers (where the Customers are a corporation) issue bearer securities without the Bank's prior written consent;

(14) if any license and/or franchise received by the Customers is cancelled or in the event of any change in the terms and conditions of the said license and/or franchise;

(15) if there is a material change in the Customers' type of business activity or if the activity is diverted to activities in new spheres of risk (for example, activities overseas in high risk branches / regions).

(16) if the Customers use the credit monies received from the Bank other than for the purpose for which the Bank agreed to grant them, without the Bank's prior written consent;

(17) on the occurrence of any event or creation of any circumstances, at any time, that in the Bank's opinion detrimentally affect or threaten the possibility of the Bank obtaining payment in respect of the credit in full and on time (including a material

adverse change in the Customers' financial position and/or activity and/or business and/or lowering of the Customers' rating by any rating company) and/or if the Bank is concerned that an event or circumstances as aforesaid are expected to occur, whether or not the occurrence of the event or creation of the circumstances depend on the Customers;

(18) on the occurrence of an event the result of which might entitle any entity in Israel or overseas, pursuant to any document signed by the Customers, to call for the immediate payment of all or any of the Customers' debts or liabilities to such entity, even if such entity does not exercise its said right;

(19) (a) if the value of an asset the subject of any collateral received by the Bank from or for the customers (a "Pledged Asset") as valued by the Bank in its discretion from time to time has lost or might lose a considerable part of its value. It is clarified that the value of a Pledged Asset as valued by the Bank may be significantly less than the market value of the charged asset. or (b) if the Customers pass a resolution or take any other action which adversely affects or might adversely affect the rights of the Bank in the Pledged Asset or in the possibility of its realization.

(20) on the creation of other conditions obliging and/or justifying an immediate reduction in or cancellation of the card facility in accordance with the provisions of the law and/or the directives of any competent authority and/or of the international organisations (including directives regarding capital adequacy);

(21) on the occurrence of one of the events mentioned above in this clause, *mutatis mutandis*, to any guarantor for the credit's repayment and/or anyone who has provided the Bank with collateral to secure the credit's repayment and/or to a corporation held by the Customers whose activity is material to the Customers.

13.26.2 The Customers warrant that no event has occurred that constitutes a cause to call for immediate payment in accordance with clause 13.26 above, and they undertake to notify the Bank immediately upon the occurrence of such an event.

13.26.3 Cancelled.

13.26.4 The Bank shall notify the Customers that the card has been cancelled or blocked or that its use has been restricted, simultaneously with the cancellation or block or restriction of use as aforesaid.

13.26.5 Any debit balance created in the account as a result of an immediate debit in respect of the amounts due on account of transactions executed with the card, as aforesaid, shall bear maximum interest. In addition, the Bank may transfer the debit balance to an arrears account, all as provided in clause 56.9.11 below.

13.26.6 Even in cases in which the Bank cancels or blocks the card forthwith and/or restricts its use and/or cancels the card facility and/or reduces it and/or does not renew it, the Bank may continue allowing the Customers – for such period as determined by the Bank that it may cease or alter at any time – to pay, at the original times and in the original manner, all or any of the amounts due from the Customers to the Bank in respect of transactions executed with the card, including in respect of credit received by the Customers through the card. The Customers acknowledge that during this period they shall continue to be debited with commission in the amounts and at the times due from the Customers before the occurrence of the events detailed in clause 13.26 above.

13.27 **Interest in legal claims**

Without derogating from the provisions of clauses 13.5, 13.8, 13.14 and 13.19 above, if the Bank files a claim against the Customers for the payment of any amount due from them to the Bank pursuant to this document and/or the credit request, the Bank may claim interest on such amount, in respect of the period commencing on the date of filing of the claim, or – at the Banks election – from the date on which the said amount falls due to the Bank until actual payment in full, as follows –

13.27.1 in the case of unlinked shekel credit, default interest in accordance with clause 13.5 above;

13.27.2 in the case of index-linked credit, index linkage in accordance with clause 13.9 above, and default interest in accordance with clause 13.8 above;

13.27.3 in the case of foreign currency credit, default interest in accordance with clause 13.14 above;

13.27.4 in the case of foreign currency linked credit, linkage to the foreign currency rate in accordance with clause 13.21

above, and default interest in accordance with clause 13.19 above;

- 13.27.5 in addition, where the claim in respect of any of the aforesaid credit is for the payment of any amount in Israeli currency, the Bank may, at its election, claim interest and linkage pursuant to the Adjudication of Interest and Linkage Law, 5721-1961, or any other law replacing it.

The Customers agree that if the Bank claims interest or interest and linkage as aforesaid, the judicial authority shall adjudicate against them interest or interest and linkage as aforesaid.

13.28 **Debiting the account/arrears account**

- 13.28.1 On the date of any payment on account of principal and/or interest and/or other amounts due to the Bank pursuant to this document and/or the credit request (hereinafter in this clause referred to as “**the above payment**”), the Bank may, without obligation, debit in respect thereof the Customers’ current account, in Israeli currency or in foreign currency, whether the account has a credit balance or debit balance or goes into a debit balance as a result of the said debit.

If at the time of debiting the current account as aforesaid it has a debit balance or goes into a debit balance as a result of the debit, the credit shall bear interest at the rate customary at such time pursuant to the said account’s terms and conditions. If the credit provided to the Customers as aforesaid in the current account deviates from the approved credit facility, if any, or if there is no facility in the account, this credit shall bear maximum interest pursuant to the said account’s terms and conditions. The interest that the customers are charged in the current account might exceed one or more of the default interest possibilities detailed in this document.

- 13.28.2 If at any time after debiting the account in accordance with clause 13.4.1 above the Bank decides, in its discretion (also taking into account the other entries and transactions debited or about to be debited to the said account up to and including such date), that the said account does not have sufficient cover for the said payment, or part thereof, and the Bank is not prepared to grant the Customers a credit facility for the purpose of such cover, the Bank may cancel the account’s debit as aforesaid in respect of such payment (or that part for which there was no cover as aforesaid) and transfer it to the debit of a separate account in the Customers’

name, in Israeli currency or in foreign currency, at the Bank’s election, which shall be opened by the Bank for such purpose (in the framework of a series of current accounts or in another series) (hereinafter referred to as “**the separate account**”), even if prior to the debit’s cancellation, various debits and credits are effected in the current account.

The aforesaid does not derogate from the Bank’s right to debit any other account of the Customers in accordance with clause 18 below.

13.29 **Prohibition on merger**

The Customers (where the Customers are a corporation) undertake not to effect, not to undertake to effect and not to take any steps towards effecting a merger with other corporations, without obtaining the Bank’s prior written consent thereto. For such purpose, the Customers undertake to immediately give the Bank any information and document required by the Bank, in its discretion, in respect of the requested merger, for the purpose of determining its position on the merger.

“**Merger**” for the purposes of this document – a merger pursuant to Part Eight or Part Nine of the Companies Law, 5759-1999 and/or any act resulting in the acquisition of most of the Customers’ assets by an individual or corporation, or pursuant where to the Customers acquire, directly or indirectly, most of the assets of another corporation or shares of another corporation vesting them with control of such corporation. For the purpose of this clause, “**control**” – as defined in the Securities Law, 5728-1968.

13.30 **Prohibition on the withdrawal of cheques**

The Customers may not make withdrawals from the credit account by way of cheques.

13.31 **The Customers’ books of account and furnishing of financial statements**

The Customers undertake to regularly keep full and proper books of account pursuant to any law and the Bank is irrevocably authorised, at any time, to inspect and examine the books. Without derogating from the aforesaid, the Customers undertake to furnish the Bank, on its first demand, with any balance sheet, report, statement, ledger, card, magnetic platform, film, books, references, other documents and any information and explanations in connection with the Customers as well as information in connection with their financial and operating position, their property and their business, as required by the Bank. As the failure to furnish statements on time shall constitute, *inter alia*, a breach of Bank of Israel’s Directives, in such case the customers shall

pay the Bank compensation in the amount determined by the Bank as reflecting the extra cost occasioned to it in consequence of the said provisions' breach. The aforesaid does not constitute permission to the Customers to default in furnishing the financial statements or derogate from any other right of the Bank in the event of breach.

13.32 Transfer of rights and obligations of the Bank

13.32.1 The Bank shall be entitled, at its discretion, at any time, without requiring the consent of the customers thereto, to transfer its rights and obligations in the credit (as hereinafter defined) to any transferee, and any transferee shall be entitled to transfer its rights and obligations in the credit to any other transferee, without requiring any consent from the customers, all subject to the provisions of any law and to the terms of clauses 13.32.1 and 13.32.2 of this document. .

13.32.2 The Bank may disclose and provide to any transferee and/or potential transferee and/or adviser the information (as hereinafter defined), as far as necessary or required in the opinion of the Bank for the purpose of examining or effecting a transaction concerning the transfer of the Bank's rights and obligations , provided that disclosure of the information to a transferee and/or a potential transferee and/or an adviser shall be subject to their signing a confidentiality undertaking to the satisfaction of the Bank, unless the transferee, potential transferee, or adviser is subject to a duty of confidentiality by law.

13.32.3 The customers undertake to carry out any act and to sign any document, as shall be reasonably required by the Bank, in connection with the transfer of rights and obligations in the credit as aforesaid.

For the purpose of Clause 13.32, the following expressions shall bear the meanings as follows:

"rights and obligations in the credit" –means the rights and/or obligations of the Bank in respect of and/or in connection with credit granted and/or to be granted by the Bank to the customers and/or in respect of and/or in connection with an undertaking to grant credit granted and/or to be granted by the Bank to the customers, in whole or in part, as well as

rights of the Bank in accordance with pledges and/or guarantees and/or other collateral granted and/or to be granted to the Bank in connection with the credit and/or in connection with an undertaking to grant credit as aforesaid.

"transfer"- means the transfer and/or sale and/or endorsement and/or assignment of rights and obligations in credit, in whole or in part, completely or in parts, whether to one or more transferees, including by way of participation transactions, risk hedging transactions or any other manner as the transferor shall deem suitable.

"information" –means information and/or data and/or documents held today or in the future by the Bank including information and/or data and/or documents which relate to the customers and/or transmitted to the Bank by the customers and/or transmitted to the Bank by third parties in connection with the customers, including information and/or data and/or documents which relate to pledges and/or guarantees and/or other collateral granted and/or to be granted to the Bank in connection with the customers obligations to the Bank.

"transferee"- means a person and/or entity, whether in Israel or abroad.

"potential transferee"- means a transferee with whom the Bank is negotiating and/or may negotiate to transfer rights and obligations in the credit.

"adviser" –includes an adviser of the transferee or the potential transferee and credit ratings agencies.

14. Cancelled.

PART C – GENERAL

All the clauses of Part C below shall apply to the account, as defined in the preamble hereto.

15. Manner of operating a joint account – mutual authorisation

15.1 Subject to any written authorisation given by the Customers, which the Bank agrees to accept, the right to act in the account rests with all the Customers jointly, and the provisions of Section 59 of the Contracts (General Part) Law, 5733-1973 shall not apply.

15.2 If the Customers have given or give any authorisation in a request to any of the Customers (hereinafter referred to as **“authorised representative/s”**), the authorised representatives may, on behalf of all the Customers, act in the account and/or in all the accounts/deposits now or

in future operated under the Customer number mentioned in the request, and execute transactions and give instructions in accordance with the signature composition detailed in the request, whether the account has a credit balance or a debit balance or goes into a debit balance as a result of any transaction, and they may perform all the acts in connection with the account that the Customers could have performed, had they all acted jointly.

For the avoidance of doubt, the authorised representative/s may execute transactions in the account in all the spheres of activity, including transactions in a current credit account / current savings account (including credit facilities), securities deposit (including receiving investment advice), shekel deposits and savings plans, foreign currency (current account, credit facilities and deposits) and credit and loans (in Israeli currency and in foreign currency), so long as these spheres of activity have been or shall be chosen by the Customers, and to act through all the service channels, through which the Customers have chosen to act, including telephone, facsimile and banking communication services.

- 15.3 The authorised representative/s may perform acts of agency with themselves and/or for their benefit with all the monies, documents, securities, rights and assets standing from time to time to the credit in the account.
- 15.4 Without derogating from the generality of the aforesaid, the authorised representatives may also:
 - 15.4.1 give guarantees to the Bank on the Customers' behalf for the payment of all the amounts due to the Bank from the Customers or from one or several of them, or from any third party, pursuant to loans, credit, overdrafts or other banking services provided by the Bank, provided that the Bank may obtain payment from the Customers, pursuant to such guarantees, solely from the monies, documents, securities, rights and assets standing from time to time to the credit of the account;
 - 15.4.2 create on the Customers' behalf collateral in favour of the Bank with the monies, documents, securities, rights and assets standing from time to time to the credit of the account;
 - 15.4.3 sign on the Customers' behalf any agreement, including credit documents,

requests to allocate a credit facility, loan agreements, guarantees, special set-off letters, pledge documents, undertakings and any other document that in the Bank's opinion is required in connection with all or any of the above acts;

- 15.4.4 close the account and any other account / deposit now or in future operated under the Customer number mentioned above.
- 15.5 The provisions of clause 15.2 above shall not be interpreted as meaning that the authorised representatives may authorise others to do any act mentioned in clause 15.2 above; for the avoidance of doubt, it is expressed that the authorised representatives may do any act mentioned herein on the Customers' behalf, even if the Customers have not received any consideration in connection with the aforesaid act.
- 15.6 The Customers hereby exempt the Bank from liability for any damage, loss and reasonable expense that might be occasioned to them, directly or indirectly, as a result of an act of the authorised representatives, or as a result of any act performed by the Bank on the basis of any instruction or request given by the authorised representatives, provided that the Bank shall not be exempt if the damage, loss or expenses was occasioned as a result of the Bank's negligence or deviation from the authorisation.
- 15.7 The the authorised representatives may perform all the aforesaid in all the spheres of activity and service channels constituting part of the account.
- 15.8 **The authorisation's expiry**
 - 15.8.1 All the authorisations shall expire and the right to act in the account shall rest with all the Customers jointly, if the Bank receives written notice from the Customers, or from one or several of them, of cancellation of the authorisation of any of the Customers; or if the Bank receives notice of any event as a result of which, pursuant to the law, the authorisation of any of the Customers expires.
 - 15.8.2 Subject to the provisions of this document, the Agency Law, 5725-1965 shall apply to the said authorisations.
 - 15.8.3 Immediately upon the Bank learning of the authorisation's termination, in accordance with this clause 15, the Bank shall give notice thereof to the Customers.

16. **Receipt of service by telephone and/or facsimile**

16.1 **Definitions**

In this clause 16.1 the following expressions shall bear the meanings set forth alongside them:

16.1.1 “**the Bank**” – including the credit card company, as defined in Part D below.

16.1.2 “**the card**”, “**card holder**” and “**the card facility**” – as defined in Part D below.

16.2 **General**

The following provisions shall apply in the event that the Bank allows the Customers to receive from the Bank and/or to give the Bank from time to time, information and/or requests and/or instructions and/or notices (hereinafter referred to as “**instructions**”) by telephone and/or facsimile, through a banker or interactive voice response system, at the branch or at the designated centres (hereinafter referred to as “**designated centres**”).

For the avoidance of doubt, it is clarified that the card holder shall be authorised to give the Bank instructions as aforesaid.

Having regard to the many risks involved in the above form of communication, including the risks detailed in this clause, the Bank has made its consent to the Customers’ said request conditional upon application of the following provisions, and the Customers have accepted the above conditions and agree thereto.

16.3 **Types of instructions**

The provisions of this clause shall apply to any instruction relating to anything it is customary to do from time to time with or through the Bank including, and without prejudice to the generality of the aforesaid:

16.3.1 receiving and furnishing information;

16.3.2 opening an account in the Customers’ name at the Bank;

16.3.3 payment instruction, transfer of monies, making of deposits, execution of futures transactions, the purchase, sale and transfer of securities, documents, rights and other things generally or that may be purchased, sold, done or transferred to or through the Bank;

16.3.4 receiving advice in connection with investments in securities and financial assets of various types, including deposits, provident funds, futures transactions, transactions in metals or a right to one of the aforesaid and

including special risk transactions and transactions with securities in which the Bank has an interest;

16.3.5 all types of credit requests, including requests for the issue of bank guarantees and letters of credit;

16.3.6 if so marked in the request to open the account – instructions involving the crediting of or transfer to accounts/deposits of a third party or in its favour;

16.3.7 for the purpose of this clause, “futures transactions” shall include all transactions with financial instruments executed by the Customers from time to time at and/or through the Bank, whether traded on any stock exchange or not traded (OTC), including, but not only, futures transactions, forward, spot transactions, swap transactions, option transactions (writing, purchase, exercise and sale), and all of various types and in relation to various assets, including various currencies, various types of indices, various goods, various types of interest, various securities (Israeli or foreign), and any other asset, including transactions at the Maof Clearing House and transactions with other financial instruments on which the Bank decides from time to time;

16.3.8 any instruction relating to any transaction through or in respect of the card, including ordering cards and requesting credit of any kind that can be received, from time to time, through the card.

16.4 **Handling of instructions**

Where the Bank is given any instruction, it may perform all the reasonable acts obliged in connection therewith, in its discretion, and any act performed by the Bank as aforesaid shall bind the Customers; however, it is expressed that:-

16.4.1 if a branch or designated centre receives an instruction of a type that the Bank does not generally accept by telephone and/or facsimile, at the branch or designated centre as aforesaid, and if the Bank believes that the execution of any instruction might expose the Bank to considerable or unreasonable risk, the Bank may refuse to accept the instruction, in whole or in part; and this shall also apply where the transaction’s execution might render it necessary to debit the Customers with an amount exceeding the ceiling determined by the Bank from time to time, which may be altered by the Bank in its absolute discretion. The Bank may notify the

Customers of the amount of the ceiling by way of general notice or by way of specific notice, shortly after receiving the instruction as aforesaid.

16.4.2 The Bank may decline to execute any instruction or, in its discretion, execute it only partially, where it learns that there is a legal impediment to the execution thereof in its entirety, or that the card facility or the balance in the relevant account or deposit of the Customers at the Bank – together with the amount of the credit and/or overdraft expressly approved by the Bank for the Customers, which the Customers have not yet utilised – are not sufficient for the transaction's execution in its entirety; it is expressed that in respect of a telephone instruction, the aforesaid shall apply even if the Bank only becomes aware thereof after the end of the conversation in which the instruction was given to the Bank. Notwithstanding the aforesaid, the Bank may execute any instruction, in whole or in part, even though the card facility / balance in the account and/or deposit is not sufficient, and if it does so, this shall bind the Customers.

16.4.3 If the Bank accepts any instruction on the assumption that the Customers have signed a basic or general form and/or document, that in accordance with the Bank's procedures must be signed before giving an identical instruction in writing, and the Bank later learns that the Customers have not signed as aforesaid, and if the Bank reaches the conclusion that the instruction given to it is tainted by a lack of clarity or in the Bank's opinion should not be executed in its entirety without obtaining further explanations, information or details from the Customers, the Bank may, at its election, decline to execute the said instruction at all or implement it partially or act therewith in another way that – in the Bank's discretion and in the circumstances of the case – amounts to proximate execution of the said instruction; and this shall apply wherever the Bank believes that the communication line through which the instruction was given to the Bank was disconnected or cut off before the giving of the instruction was completed.

“Lack of clarity” for the purpose of this sub-clause – whether the lack of clarity relates to the content of the instruction or the form in which the instruction was received, including

where the lack of clarity originates in a disruption in the communication lines.

16.4.4 Where the Bank executes any instruction – including partial or proximate execution – all the terms and conditions that would have applied had the Customers given the Bank an identical instruction in writing shall apply; and if at such time it is the Bank's practice for an instruction as aforesaid to be given to the Bank on the form determined by it, the instruction shall be governed by all the provisions of such form, as though the instruction was given by the Customers to the Bank in writing on the said form, signed by the Customers.

16.4.5 The Bank shall notify the Customers of the execution, non-execution, partial execution or proximate execution of any instruction. The aforesaid does not derogate from the Customers' duty to ascertain the execution, non-execution, partial execution or proximate execution of any instruction.

16.5 Risks and liability

16.5.1 **The Customers are aware that telephone and facsimile use involves special risks, including those set forth in this clause, and that:**

(1) **in telephone conversations, which are generally brief – the risk that it will only emerge after the conversation that certain points are still unclear or that there were errors in the recording (hearing) of words, and the risk that a third party will present himself as being one of the Customers or authorized persons;**

(2) **in the case of facsimile use – the risk of forging a document or parts thereof including the Customers' signatures, or that an instruction will be relayed in a disrupted or partial manner or to another facsimile device.**

16.5.2 **Any instruction given to the Bank telephonically by a person representing himself, during the said conversation, as being authorized to give the Bank telephonic instructions pursuant to this clause, shall be treated as an instruction of the said authorized representative, even if it transpires that the said person was not one of the authorized persons, provided that the Bank adopts all the cautionary measures required to prevent the abuse of telephonic**

instructions in accordance with the Proper Conduct of Banking Business Regulations and the Bank's procedures.

16.5.3 Cancelled.

16.5.4 Cancelled.

16.5.5 If the Customers and/or any of their authorised representatives receive an identification code and/or other information security measures (hereinafter referred to as "information security measures"), they shall be liable to use them in accordance with the instructions they receive from time to time from the Bank, including to maintain absolute confidentiality in respect of the information security measures and to keep them inaccessible to others, and replace them insofar as necessary pursuant to the Bank's instructions. Codes, passwords and the like that are supposed to be determined by the Customers or their authorised representatives shall be as random and difficult to guess as possible. The Customers shall notify the Bank as soon as any instance of misuse/exposure/lost/theft of security measure or any reasonable concern thereof is discovered by them.

The Customers warrant that they are assuming full liability for implementing the provisions of this sub-clause. The Customers acknowledge the risk they face that the information security measures will come into the possession of unauthorized persons who will misuse them and they agree that any use of any of the information security measures shall bind them for all intents and purposes as though made by them.

16.5.6 If at any time the Bank operates an arrangement for telephone calls to obtain information and/or services through the card using a code, and the Customers choose to join this arrangement, the customers undertake not to disclose the code and not to write it down overtly or in an encoded way on the card itself or in various documents kept by them near the card, for the reason that anyone identifying himself through the code may obtain information and services from the Bank through the card. The Customers exempt the Bank from any liability for damages and expenses occasioned to them in consequence of the code's use by

someone not authorised to do so by the Customers.

16.5.7 The Customers exempt the Bank from liability for any damage, loss, expense or payment that might be occasioned to them, directly or indirectly, as a result of the execution (including the partial or proximate execution) of any instruction given by them and/or any of their authorised representatives and/or any person described in clause 16.3.2 above, provided that the Bank shall not be exempt if the damage, loss or expense was occasioned as a result of the Bank's negligence.

The provisions of this clause shall be subject to clause 28 below.

16.6 Miscellaneous

16.6.1 Notwithstanding the provisions of clause 27.1 below, all the Bank's records concerning the existence, date and content of any telephone and/or facsimile instruction shall serve as prima facie proof that such communication was made and of the content thereof.

16.6.2 The Customers shall be estopped from raising any claim against the Bank to the effect that an instruction received by it by facsimile does not meet the best evidence rule.

16.6.3 The Bank may, at any time, notify the Customers that it will no longer accept instructions from them pursuant to this clause in general, or in respect of particular matters.

17. Right of lien

17.1 The Bank shall have a right of lien over all the amounts and assets due to the Customers from the Bank, and the Bank may at any time, without being obliged to notify the Customers thereof in advance, withhold them until the payment of all the amounts due to the Bank by the Customers, whilst maintaining a reasonable ratio between the amounts and assets due to the Customers from the Bank that are withheld as aforesaid and the amounts due to the Bank from the Customers.

With regard to those amounts due to the Bank from the Customers that are not yet due, the Bank may act as aforesaid, if it is reasonably concerned that these amounts will not be paid to the Bank in full and on time.

17.2 In addition to the aforesaid, if an attachment is imposed over any amount and/or any asset from the amounts and assets

due to the Customers from the Bank – the Bank shall have a right of lien over such amount and/or asset, as the case may be, until the attachment's removal; provided that the lien pursuant to this sub-clause shall only apply to the amounts and assets due to the Customers from the Bank the overall amount and/or overall value of which do not exceed the unpaid balance of the amounts due to the Bank from the Customers, as shall be from time to time.

17.3 In the cases set forth in clauses 17.1 and 17.2 above, the Customers shall not be entitled to withdraw the amounts and assets due to the Customers from the Bank or any part thereof or to act therewith or in relation thereto in any other manner without the Bank's consent, and the Bank may prevent the Customers from effecting any disposition therewith.

17.4 The Bank shall notify the Customers of its exercise of any of its rights according to this clause 17, following such exercise.

17.5 For the purposes of this clause 17, the following expressions shall bear the following meaning:

“the amounts and assets due to the Customers from the Bank” – all the monies – in Israeli currency or in foreign currency – now or in future due to the Customers from the Bank in the account and in any other account and/or deposit of the Customers at the Bank and/or in any way or on any cause, and all the bills, securities, bills of lading, documents, chattels and other assets of whatsoever type of the Customers (given to the Bank by the Customers or by any third party for the Customers, for collection, collateral or custody and/or for any other purpose) and their proceeds, including all the Customers' rights in connection with all the aforesaid;

“the amounts due to the Bank from the Customers” – all the monies – in Israeli currency or in foreign currency – now or in future due to the Bank from the Customers in any account and/or in any way or on any cause, whether their payment date has arrived or not, and whether or not their payment date is subject of the fulfillment of any condition/s.

18. **Right of set-off**

18.1 Without derogating from the Bank's right of lien as aforesaid, the Bank may (without obligation) at any time, without having to notify the Customers thereof in advance:

18.1.1 set off any amount due to the Bank from the Customers, against the amounts due to the Customers from the Bank even before the payment date of the amounts due to the Customers from

the Bank as aforesaid, against which the set off is effected;

18.1.2 purchase any amount in foreign currency required for the payment of any amount from the amounts due to the Bank from the Customers, or sell any foreign currency standing to the credit of the Customers at the Bank, and use the sale proceeds for the payment of any amount from the amounts due to the Bank from the Customers or, as the case may be, to purchase another foreign currency required for the payment of the amounts due to the Bank from the Customers;

18.1.3 debit any account and deposit of the Customers at the Bank, whether or not mentioned herein, in any amount from the amounts due to the Bank from the Customers, and if the aforesaid amounts or some of them are in respect of foreign currency credit – debit any account and deposit as aforesaid of the Customers that is operated in the credit currency, or any account of the Customers that is operated in Israeli currency or in another foreign currency with its counter-value (in Israeli currency or in the other foreign currency) at the Bank's customary rate on the date of debiting the account as aforesaid.

18.2 The Bank may effect set-off without any notice; however, in the following cases, the Bank may effect the set-off on notice to the Customers:

18.2.1 on the set-off of amounts due to the Customers from the Bank but not yet payable;

18.2.2 on the set-off of a fixed deposit that but for the set-off would be automatically extended or renewed, such that certain rights or benefits would have derived to the Customers.

Notwithstanding the aforesaid, if the delay in effecting the set-off might detrimentally affect the Bank's position or prejudice any of its rights, the set-off shall be effected immediately. Furthermore, if notice has been sent and during the period specified therein there is an attachment, notice of receivership of the Customers' assets or a similar event - the set-off shall be effected immediately.

18.3 Any purchase or sale in accordance with sub-clause 18.1.2 above shall be effected (if effected) at the Bank's customary rate, from amounts in Israeli currency, or from amounts in foreign currency, as the case may be, standing to the Customers' credit at the Bank

or received from the realisation of any collateral given to the Bank by or for the Customers.

18.4 Any debit in accordance with clause 18.1.3 above and any debit mentioned below shall be effected (if effected) in an existing account or deposit or in an account or deposit that is opened for such purpose by the Bank in the Customers' name, whether the account or deposit to be debited has a credit balance or a debit balance or goes into a debit balance as a result of being debited as aforesaid; and the debit balance (if any) in the account or deposit debited as aforesaid shall bear interest at the maximum rate.

However, if as a result of any debit in respect of foreign currency as aforesaid or as set forth below, any account goes into a debit balance or the debit balance therein increases, then, if such account is maintained in Israeli currency, the Bank may, at any time, credit the account and debit in the counter-value thereof any account or deposit of the Customers in the relevant foreign currency at the Bank's customary rate on the date of debiting the account or deposit in foreign currency as aforesaid; and if the said account is maintained in foreign currency, the Bank may, at any time, credit the account and debit in the counter-value thereof any account or deposit of the Customers in Israeli currency at the Bank's customary rate on the date of debiting the account as aforesaid.

18.5 Where the Bank exercises rights of set-off as aforesaid prior to the payment date of any amount from the amounts due to the Customers from the Bank, there might be changes to the Customers' detriment concerning their rights in respect of or in connection with such amount (for example, with regard to interest rates, linkage, exchange rate differentials, rights to grants or loans, an income tax or withholding tax exemption or concession) and the Bank may deduct, from the aforesaid amounts, commission, expenses and damages generally charged by the Bank on the breakage of deposits of any type, including savings plans, Israeli currency deposits and foreign currency deposits, by the Customers.

18.6 For the purposes of this clause 18, the following expressions shall bear the following meaning:

“the amounts due to the Customers from the Bank” – all the monies – in Israeli currency or in foreign currency - due or that shall be due to the Customers, subject to any law, from the Bank in the account and in any other account and/or deposit of the Customers at the Bank and/or in any way or on any cause;

“the amounts due to the Bank from the Customers” – all the monies – in Israeli currency or in foreign currency – due to the Bank from the Customers on the date of effecting the set off, in any account and/or in any way or on any cause, including amounts that have become payable in consequence of a call for immediate payment and/or acceleration of payment in accordance with the law and/or with the Customers' consent.

19. **Guarantees and collateral**

Whenever the value of a Pledged Asset as defined in Clause 13.26 (19) above, as valued by the Bank in its discretion from time to time, has lost or might lose a considerable part of its value (it is clarified that the value of a Pledged Asset as valued by the Bank may be significantly less than the market value of the Pledged Asset) or where an incident has occurred that might impair the financial ability of any guarantor who has given the Bank a guarantee for the discharge of all or part of the amounts due to the Bank as aforesaid, the Customers shall furnish the Bank, immediately upon its first demand, with additional collateral or guarantees, to the Bank's satisfaction.

The aforesaid in this clause is in addition to and does not derogate from the Bank's right to demand the immediate payment of credit in accordance with clause 13.26.1 above.

20. **Commission and expenses**

20.1 Commission in connection with the account, related transactions, various services including the preparation of legal documents, attachments imposed on the account and orders or decisions of the courts or other competent authorities relating to the account, at the tariff prevailing at the Bank from time to time, shall be debited to the account in which the transaction was executed or any other account of the Customers as the Bank decides, on such dates as prevailing at the Bank from time to time. The commission tariff shall be available for the Customers' inspection at the branch.

20.2 The Bank may debit any account as aforesaid with any reasonable expense occasioned to the Bank in connection with the account, related transactions and various services, and without derogating from the generality of the aforesaid, in respect of the sending of telexes, telephone conversations and the like.

21. **Right to debit the account**

Where the Bank has a right to debit an account of the Customers, it may do so whether the said account has a credit balance or debit balance or goes into a debit balance by reason of being debited as aforesaid.

22. **Furnishing of details and databases**

22.1 For the purpose of opening and operating the account, the customers will be required to furnish the Bank, from time to time, with personal identification details and other details, the furnishing of some of the details being required pursuant to the law, and the furnishing of other details to the Bank being dependent on their own free will and consent. The details furnished by the Customers to the Bank are required by it for the purpose of its work in connection with the service to the Customers and for the purpose of making decisions regarding the service's provision, the scope thereof and the manner of providing it. The details and data furnished to the Bank shall be kept, in whole or in part, in databases at the Bank or at entities engaging solely in the technical aspect of handling such data for the Bank, in Israel and abroad.

22.2 For the purpose of compliance by the Bank with the requirements of any law, including the Proper Conduct of Banking Business Regulations of the supervisor of banks, the Bank shall be entitled to disclose to any other entity in the Bank group, and to receive from them, information concerning the customers held now and/or in the future by the disclosing party, including information subject to a duty of confidentiality and/or maintaining of privacy.

23. **Legal proceedings, stamping of documents and jurisdiction**

23.1 All the expenses involved in stamping this document and all the documents issued pursuant hereto and/or in connection herewith, and the collateral and guarantees mentioned herein, if and insofar as applicable, and all the reasonable expenses involved in exercising rights to collect the debts due pursuant hereto or pursuant to the terms and conditions of any account of the account holders, whether or not mentioned herein, including the reasonable expenses involved in any claim or in the realisation of any guarantee or collateral mentioned in clause 19 above, and including the professional fees of the Bank's advocates, shall be borne by the Customers.

The advocates' professional fees shall be as determined in a judgment or decision of a court and in the case of execution proceedings, if advocates' professional fees are not determined, the minimum fees prescribed by virtue of section 81 of the Chamber of Advocates Law, 5721-1961 shall apply, and in any other case – as between the Bank and the Customers. The Customers shall pay the Bank, immediately upon its first demand, every expense as aforesaid plus interest in accordance with clause 1.3.3 above, in respect of the period commencing on the date it is incurred by the Bank and ending with the actual payment thereof, and interest

as aforesaid accruing during each month or any other period prevailing at the Bank from time to time shall also bear interest as aforesaid.

23.2 The Bank and the Customers agree that exclusive jurisdiction for all the purposes of this document shall rest with the court in the city nearest to the branch at which the account is operated, from amongst the following cities: Jerusalem, Tel Aviv, Haifa, Beersheva, Nazareth or Eilat, or – at the plaintiff's election – the court closest to the branch at which the account is operated.

23.3

23.3.1 If any third party files any claim, proceedings or demand against the Bank, in Israel or overseas, in connection with any account of the Customers at the Bank, or the Bank becomes involved in any claim, demand or proceedings in a matter amounting entirely to a dispute between the Customers and a third party, or a dispute between the Customers inter se, including attachment proceedings and other provisional relief, the Customers shall indemnify and compensate the Bank for any reasonable expense, damage and loss (including the Bank's advocates' professional fees) occasioned to the Bank as a result of any claim, demand or proceedings as aforesaid.

In such proceedings as aforesaid before a court or other authorised judicial body, in which the Bank takes an active part, the Bank shall be entitled as aforesaid for indemnity and compensation in respect of the expenses of the hearings in such proceedings, subject to the award of the court or such other authorised judicial body, without prejudice to the Bank's right as aforesaid for indemnity and compensation in respect of any other damage, loss or expense in excess of hearing costs.

23.3.2 Cancelled.

23.4 In addition to the aforesaid, the Bank may debit any account of the Customers with it, whether or not mentioned herein, in any amount due to it from the Customers as a result of any claim, demand or proceedings as set forth above.

23.5 Cancelled.

24. **Survivorship**

24.1 In the event that the number of Customers decreases by reason of death, the surviving customers or anyone acting on their

behalf may, jointly, continue to act in the account (and in connection with all the documents furnished to the Bank to enable their proceeds to be credited to the account) and the heirs and administrators of the estate of any deceased Customer as aforesaid shall not have any right to act in the account or in connection with such documents. However, these provisions do not in themselves amount to a determination in relation to ownership of the monies and documents as aforesaid in the account or in the Bank's possession at the time of the death.

24.2 Where in the Request to Open an Account the Customers have deleted the clause headed "Survivorship Clause- in a Joint Account", or if all the Customers have notified the Bank in writing of their wish that the provisions of sub-clause 24.1 above shall not apply, or if one or several of the Customers is/are a corporation/s, then, in the event that the number of Customers decreases by reason of death (of a non-corporate customer), the surviving customers, or anyone acting on their behalf, shall be entitled to act in the account (and in connection with all the documents furnished to the Bank to enable their proceeds to be credited to the account) only together with the administrators of the deceased's estate (or if none have been appointed – together with the deceased's heirs).

25. Anti Bribery

The customers have not been, are not and will not be involved in the granting and/or receipt of bribery, whether in Israel or abroad, and no criminal proceedings are pending against the customers regarding a breach of law relating to the granting and/or receipt of bribery. The customers will advise the Bank immediately whenever there shall occur any change in the aforesaid.

26. Leumi Information

The following provisions shall apply in any case in which the Bank allows the Customers to receive information through Leumi Information, unless the Customers request that the following arrangement shall not apply to them:

Through computer terminals situated at the Bank's branches for self-service by the Customers (hereinafter referred to as "**Leumi Information**"), the Customers will be able to receive notices of various transactions executed in their accounts, shortly after the transactions' execution, by pressing a special key or in the event that they make any use of Leumi Information, and notices issued by Leumi Information will not be sent to the address appearing in the Bank's records for the purpose of sending notices.

However, notices as aforesaid that are not issued through Leumi Information during a particular

period shall be sent to the above mentioned address, in which case it will no longer be possible to obtain them through Leumi Information. Where an account statement relating to an account or foreign currency account of the Customers is issued through Leumi Information, containing more than the number of transactions determined by the Bank from time to time **in respect of such account, no account statement in respect of such transactions will be sent to the above address.**

In addition, in any event notices concerning execution of the transactions issued through Leumi Information or sent to the customers registered address will be printed in a consolidated fashion.

27. The Bank's records, notices and certificates

27.1 The Bank's records, a copy of them or of any excerpt from them or from the last page thereof, shall constitute admissible evidence to prove the authenticity of their contents.

27.2 The Customers shall examine every copy statement of account, periodical statement, any notice and any letter sent or furnished to them in any way, by the Bank or through an automated machine, or at a computer terminal, and furnish the Bank with their written observations thereon, if any, within 60 (sixty) days of their delivery or dispatch by the Bank. Any copy statement of account, periodical statement, notice or letter furnished to the Customers through an automated machine or at a computer terminal as aforesaid, including by the credit card company shall be deemed to have been delivered to the Customers by the Bank.

It is expressed that the provisions of this clause do not derogate from the rights of any of the parties pursuant to the law or this document.

27.3 The Bank's written certificate concerning the interest rates, maximum interest, the Bank's customary rate, the commission of the Bank or of the credit card company in the period or periods to which the said certificate relates shall serve as prima facie proof of its contents.

28. Exemption from liability in certain circumstances

28.1 The Customers exempt the Bank from liability for any direct and/or indirect damage, loss, expense and payment that might be occasioned to the Customers:

28.1.1 as a direct result of circumstances over which the Bank has no control, so long as such circumstances exist and provided that the Bank makes every reasonable effort to perform its obligations;

28.1.2 cancelled.

28.1.3 as a result of the Bank's reasonable use of various communication means, such as mail, telephone, telex, facsimile or any other means of communication or conveyance, whether private or public, and as a result of any loss, delay, misunderstanding, defacement or ruin by reason of such use, provided that the Bank shall not be exempt if the said damage, loss or expense are a result of the Bank's negligence.

28.2 Cancelled.

29. **Furnishing of mail and evidence of the effecting of transactions in the Branch**

29.1 The Customers' address for the purpose of furnishing mail, account statements, notices, demands, copies of account statements, letters and any other information, including for the service of legal process and notices and warnings pursuant to the Cheques Without Cover Law, 5741-1981 (hereinafter referred to as "**mail**"), is the address noted as the mailing address in the Request to Open An Account / Request to Distribute a Card Form, as applicable, as the case may be, or any other mailing address of which the Customers notify the Bank.

29.2 The Bank may send, give and/or transmit mail of any kind (including any negotiable instrument) to the Customers by regular mail or in any other way, at its discretion, including through the systems.

The Customers may electronically (or in any other manner determined by the Bank) request the Bank to send mail or evidence of the effecting of transactions in the Branch to them at their email address as updated by them from time to time and/or through the Bank's website (hereinafter referred to as "**electronic means**"), instead of sending it to the mailing address or delivering evidence by hand. The Customers agree that the Bank shall not be required to again send or transmit, in any other way, mail or other evidence that was transmitted as aforesaid through the systems.

29.3 The aforesaid shall not apply to mail in respect of which there is a legal duty to send to the Customers in another way.

29.4 If the Customers have given the Bank an e-mail address as aforesaid or requested that mail be sent to them through the Bank's website, and they do not open their e-mail or go into their account on the Bank's website, or if they have not agreed to the continued sending of mail to them through these means, during such periods of time as determined by the Bank, which shall not exceed that prescribed by law, the Customers shall be sent notice to the mailing address, explaining that if they do not do any of the aforesaid acts, the

mail shall be sent to the mailing address (instead of or in addition to the electronic means, in the Bank's discretion).

With regard to the periodic statements detailing credit card debits sent by e-mail, which the Customers do not open or do not enter their account on the Bank's website, notice may be sent to the mailing address at the end of each calendar year regarding the continued sending thereof through electronic means.

29.5 The Customers may inspect mail or evidence of the effecting of transactions sent through electronic means even if legal proceedings are being conducted between them and the Bank.

29.6 For six months after termination of the contractual relationship between the Customers and the Bank, the Customers may continue to inspect mail or evidence of the effecting of transactions sent through electronic means during the six month period preceding the date of the contractual relationship's termination, or obtain a sole copy of such mail or evidence of the effecting of transactions, free of charge.

The Bank's written confirmation of any dispatch or delivery and the date/time thereof shall serve as prima facie proof of regarding the dispatch, delivery and date/time mentioned therein. Mail sent to the Customers that their mailing address shall be deemed to have been received by the Customers 72 hours after its dispatch. Mail sent through electronic means shall be deemed to have been received by the Customers one business day after transmission. Evidence of the effecting of transactions shall be deemed to have been received by the Customers on the business day on which the transaction was effected.

30. **Holding mail at the branch (HOLD MAIL)**

If the Customers note in the Request to Open an Account that their mailing address is "c/o the branch", the following provisions shall apply -

30.1 Every copy statement of account, notice or other document of whatsoever type (including negotiable instruments of any type) that should have been sent to the Customers (hereinafter referred to as "**the documents**"), shall not be sent to the Customers but shall be held by the Bank, until the Customers give the Bank written notice to send the documents to such address as stated, or until the documents are personally delivered to the Customers or anyone authorised on their behalf, or until the end of 45 days from the day on which the Bank sends the Customers notice of termination of the Bank's consent to hold the documents as aforesaid.

30.2 It is agreed that each of the documents shall be deemed to have reached the

Customers three business days after the day on which it was left at the Bank, without any liability being imposed on the Bank.

30.3 The Customers waive, vis-à-vis the Bank, any plea or demand that they would not have been able to raise against the Bank had any of the documents reached them on time. In addition, and without derogating from the aforesaid, the Customers agree that the period in which they may, pursuant to any law or agreement, raise any plea or file any claim against the Bank in connection with any of the documents, including non-conformity, forgery or alteration that could have been detected or ascertained from an examination of the documents, shall be deemed to have commenced on the day the said document was left at the Bank, in accordance with the terms and conditions of this clause.

30.4 The Customers acknowledge that the service mentioned in this clause is subject to a special commission.

31. **Holding mail in a special box**

If the Bank agrees, in its exclusive discretion and without being under any duty to do so, to allow the Customers' request to provide them with a special box for holding mail, the following terms and conditions shall apply:

31.1 Every copy statement of account, notice or other document of whatsoever type (including negotiable instruments of any type) designated for dispatch to the Customers (hereinafter referred to as "**the documents**") shall be placed into the box provided to the Customers, the number of which is stated in the request to receive the service (hereinafter referred to as "**the box**") (hereinafter in this clause referred to as "**the request**"), instead of being mailed to the Customers (hereinafter in this clause referred to as "**the service**").

31.2 The access to and the opening of the box shall be from a public area outside the branch, or within the branch, as stated in the request.

31.3 The Customers undertake to clear the box every 15 days of all the documents therein, to examine every such document and to furnish the Bank with their written observations thereon (if any) within 60 days of the date of such document.

Every document placed in the box by the Bank shall be deemed to have been received by the Customers within three days of the date of such document, and the Bank's written confirmation that it has placed any document in the box shall serve as prima facie proof, vis-à-vis the Customers, of the date on which it was placed in the box and its presence therein.

31.4 The Customers undertake to notify the Bank immediately upon learning of any fault with the box or the lock, or of the loss of the

keys to the box, or of any unauthorised opening thereof.

31.5 The Bank may cancel the above arrangement at any time, on 15 days' notice.

If the Customers do not remove the documents from the box within 30 days of the notice's dispatch as aforesaid, the Bank may (without obligation) remove them and send them to the Customers by ordinary mail. Confirmation of any dispatch as aforesaid to the Customers shall serve as prima facie proof vis-à-vis the Customers in such regard.

31.6 The payment for the services (hereinafter referred to as "**the service fees**") shall be in accordance with the commission tariff prevailing at the Bank on any payment date of the service fees.

The Bank may debit the account stated in the request with the service fees on any payment date as aforesaid, whether the account has a credit balance or a debit balance or goes into a debit balance as a result of being debited as aforesaid.

31.7 The Customers exempt the Bank from any liability for the expenses, damages and losses that might be occasioned to them, directly or indirectly, in connection with the service, provided that the Bank shall not be exempt if the damage, loss or expense was occasioned as a result of the Bank's negligence.

The provisions of this clause are subject to clause 28 above.

32. **The Bank's right not to execute certain instructions**

In each of the following cases, the Bank may, in its discretion, decline to execute any instruction of the Customers or postpone its execution or execute it only partially, as the case may be:

32.1 if the instruction is unclear or incomprehensible to the Bank;

32.2 if the instruction is given with regard to cheques and/or bills for collateral, collection or to the credit of an account, and the cheques and/or bills or some of them are not annexed to the instruction or are tainted by any defect (such as a lack of endorsement(s), a first endorsement or a special endorsement that is not clear, discrepancy between words and figures, and the like) or the details of any cheque or bill as aforesaid do not conform with their description in the form;

32.3 if the instruction is given other than on the Bank's customary form, unless the Bank's employee who is charged with accepting such instruction has agreed to accept it at the Bank;

32.4 if the instruction reaches the Bank after the time fixed for its delivery;

- 32.5 If the instruction is given through the **Hishbank** [rapid bank service] or a branch box, and concerns a transaction that the Bank does not generally execute on the basis of an instruction given through the Hishbank or a branch box as aforesaid;
- 32.6 if the instruction concerns a transaction that the Bank does not generally execute;
- 32.7 if the instruction's execution involves debiting any account of the Customers and the said account's status does not allow such debit.
If the Customers instruct the Bank to make various payments to the debit of any account and the said account's status does not allow it to be debited with all the said payments, the Bank may (without obligation), in its discretion, make such payment/s as it deems fit.
The Bank shall notify the Customers of the execution, non-execution, partial execution or proximate execution of any instruction. The aforesaid does not derogate from the Customers' duty to verify the execution, non-execution, partial execution or proximate execution of any instruction.
33. **The time for executing transactions**
Where the Bank has undertaken to execute any transaction for the Customers, and no time has been fixed for its execution, the Bank shall execute it within the reasonable period of time generally required for executing such a transaction.
34. **The use of correspondents**
For the purpose of executing the Customers' instructions, the Bank may use the services of correspondents and/or brokers (hereinafter referred to as "**the correspondents**"), in Israel or overseas, at its election.
The Customers undertake to bear the reasonable commission and expenses that the Bank is required to pay the correspondents in connection with the execution of the Customers' instructions as aforesaid.
35. **Change in the account holders' details**
The Customers declare that all the details given by them to the Bank (including phone number, cellular phone number, email addresses and the like) are correct and accurate. The Customers undertake to notify the Bank immediately of any change in one or more of these details.
So long as the customers have not given notice of the change to the Bank, the change shall not bind the Bank and the Bank need not have regard thereto.
36. **Communications and notices to the Bank**
All the Customers' communications and notices to the Bank on the various matters concerning the account shall be referred solely to the offices of the branch at which the account is operated, or –
- with regard to advice on securities – to the advice centre to which the Customers are referred by the said branch. In any other matter, the Customers may also approach the Bank's Public Relations Department or the Bank's management.
37. **Transfer of rights**
The Customers may not transfer their rights pursuant to this document and/or any of the documents mentioned herein or connected herewith and/or in the account to another and/or others, without the Bank's prior written consent. The aforesaid does not derogate from any other provision herein absolutely prohibiting a transfer of the rights in any account or deposit.
38. **Waivers and/or compromises**
- 38.1 No waiver or compromise by the Bank shall bind the Bank, unless made in writing.
- 38.2 A waiver by the Bank in favour of the Customers in respect of the prior breach or non-fulfillment of one or more of the terms and conditions hereof shall not be deemed justification or an excuse for the further breach or non-fulfillment of any of the terms and conditions hereof. The Bank's failure to exercise any right granted to it pursuant hereto shall not be interpreted as a waiver of such right.
39. **Technical changes in the account number and the splitting thereof**
The validity of the terms and conditions hereof shall not be affected even if, for any reason, the Bank changes the number of any account, by adding figures or in any other way, and they shall continue to apply to the account under its new number. For the avoidance of doubt, it is expressed that the Bank may change the account number, transfer the balance therein (and in the case of a securities deposit – the securities therein), whether the account has a credit balance or a debit balance, to another existing account or to a new account to be opened for such purpose, where in its opinion such a change is required or desirable for office, administrative or technical reasons.
In addition, the Bank may split the account into two or more accounts, if the status of the account justifies this.
40. **The account's closure**
The Bank may at any time close the account or cease one or more of the spheres of activity and/or service channels provided to the Customers pursuant hereto or deny the Customers their right to act in the account through cheques or similar instruments.
The acts detailed above shall be done in accordance with the procedures prescribed from time to time by Bank of Israel. Details may be obtained at the branch of the Bank at which the account is operated.

At the time of closing the account, the Customers undertake to return all the cheque books, credit cards and ATM cards in their possession to the Bank.

In the event that the account is closed – by the Bank or the Customers – the interest and the maximum interest (if any) that has accrued to such date shall be paid immediately upon the account's closure.

40A. **Accrual of interest**

Any interest mentioned herein that is due from the Customers to the Bank, including maximum interest and default interest, accruing during any month or, as prevailing at the Bank from time to time, during any other period in respect of which the accrual of interest is legally permitted, shall also bear interest at the same rate.

41. **Definitions**

In this document, the following expressions shall bear the meanings set forth alongside them, unless another meaning is attributed to them in the relevant clause:

41.1 **“bill”** – any promissory note, bill of exchange, cheque, withdrawal, payment order and any negotiable instrument of whatsoever type;

41.2 **“the Bank's books”** – including any book, ledger, deposit or account statement, loan contract, undertaking, bill signed by the Customers, card index, sheet, spool, electronic computer data storage means and any other means for the storage of data made during the Bank's ordinary course of business;

41.3 **“business day”** – any day except for a Saturday, non-working holidays, the two days of Rosh Hashanah (Jewish New Year), the evening of Yom Kippur and Yom Kippur (Day of Atonement), the first and eighth day of Succoth (Tabernacles), Purim, the first and seventh day of Passover, Independence Day, Shavuot (Pentecost), Ninth of Av and any other day declared by the Supervisor of Banks as being a day that is not a banking business day;

41.4 **“foreign currency business day”** – a business day that is also a day on which the Bank actually executes transactions in the relevant foreign currency, without limitation on the transaction amounts;

41.5 **“records”** – including any record or copy of a record, whether recorded or copied in handwriting or by typewriter, and whether recorded or copied by way of printing, duplication, photography (including microfilm or microfiche) or by means of any mechanical, manual, magnetic, optic, electric or electronic machine, including the recording of sound, picture (including system screens), agreement, or by means of electronic

computer entries or any other means of recording or displaying words or figures or any other symbols prevailing at the banks;

41.6 **“the Bank”** – including each and every one of the Bank's branches or offices in Israel and overseas;

41.7 **“law”** – as defined in the Interpretation Law, 5741-1981, and any other law, regulation, order, instruction, demand or request of a government authority, including instructions, permits and directives of Bank of Israel, as in force from time to time;

41.8 **“the Bank's customary rate”** – the “agreed rate” or the “BLL rate” as defined below, as determined by the Bank from time to time, having regard to the type and amount of the purchase or sale of the relevant foreign currency; however, However, the Customers may request the Bank, a reasonable time in advance, to effect the said purchase or sale at the “agreed rate” instead of the “BLL rate”, and if it is the Bank's practice at such time to execute transactions of the type and in the amount of the transaction for the purchase or sale of the relevant foreign currency at the “agreed rate”, the purchase or sale shall be effected at the “agreed rate”. Any purchase or sale as aforesaid shall be subject to exchange rate commission and all the taxes, levies, compulsory payments, payments to the relevant international credit card organisation or other payments and the like;

41.9 **“agreed rate”** – in respect of any purchase or sale of foreign currency by the Customers in exchange for Israeli currency – the sale or purchase rate, as the case may be, for transfers and cheques or banknotes, as the case may be, last determined by the Bank prior to the said purchase or sale for transactions of such type and in such amount, which the Customers have agreed shall apply to such purchase or sale;

41.10 **“BLL rate”** – in respect of any sale of foreign currency by the Customers or crediting of their account with Israeli currency in the counter-value of the foreign currency – the rate of transfers and cheques or of banknotes, as the case may be, determined by the Bank at the relevant time as the “BLL rate”, at which the Bank purchases the relevant foreign currency from its customers in exchange for Israeli currency;

and in respect of any purchase of foreign currency by the Customers or debiting of their account with Israeli currency in the counter-value of the foreign currency – the rate of transfers and cheques or of banknotes, as the case may be, determined by the Bank at the relevant time as “the BLL rate” at which the Bank sells its customers the relevant foreign currency in exchange for Israeli currency;

41.11 “**maximum interest**” or “**interest at the maximum rate**” – the highest interest rate prevailing at the Bank, from time to time, including the rate of the excess supplement, in respect of debit balances in current credit accounts / current loan accounts / current savings accounts / foreign currency accounts (in accordance with the type of account and the case), exceeding the credit facility and/or balances not paid to the Bank on time;

41.12 “**index**” – the price index known as “the consumer price index” (cost-of-living index) including fruit and vegetables, published by the Central Bureau of Statistics, and including the said index even if published by any other official institute or entity, and including any official index replacing it, whether built on the same data as the existing index, or not. If the index is replaced by another index that is published by any entity or institute as aforesaid and the said entity or institute has not determined the ratio between it and the replaced index, the ratio shall be determined by the Central Bureau of Statistics, and if not determined as aforesaid, the Bank shall determine, in consultation with economic experts selected by it, the ratio between the said index and the replaced index;

41.13 “**prime interest**” – the basic interest on debit balances in current accounts, as fixed from time to time by the Bank;

41.14 “**month**” – a Gregorian month.

42. **Changes in the terms and conditions hereof**

The Bank may, from time to time, change the terms of this document or add new provisions on at least 30 days' written notice to the Customers, provided that the new provisions or change shall only bind the Customers after the notice period's expiry.

The contents of the periodic statements constitute an integral part of this document and part of its terms and conditions. In the event of any contradiction between this document and the periodic statements, the contents of the periodic statements shall prevail.

43. **The Bank's exemption from the duties of a holder**

The Customers hereby exempt the Bank – in respect of every bill signed or endorsed by the Customers - from all the duties of a holder, such as presentation for acceptance or payment, protest, notice of non-acceptance or dishonour.

44. **Taxes**

In the event that the Customers are held liable for the payment of any taxes, levies and compulsory payments pursuant to any law, the Bank shall deduct this amount at source in accordance with the law, or debit the account in any amount required as the payment of tax, unless if the Customers furnish the Bank in advance with a

suitable certificate from the authorities regarding exemption from deduction as aforesaid.

45. **Times of giving instructions**

Any instruction received by the Bank after the time fixed for the close of the business day in the branch, or on a day that is not a business day (and in respect of foreign currency transactions – on a day that is not a foreign currency business day) shall be deemed to have been received by the Bank on the next business day (or foreign currency business day, as the case may be) thereafter.

46. **Governing law**

The laws of the State of Israel shall govern this document and the documents mentioned herein or related hereto, and their interpretation.

47. **Status of the signatories hereto**

47.1 The provisions of this document shall apply to all the Customers who have actually signed it, jointly and severally. If other names are noted amongst the Customers' names, the provisions of this document shall only apply to those who have actually signed it, and any mention of “the Customers” shall only relate to those Customers who have actually signed the document.

The aforesaid shall also apply if one or several of those whose names are noted above as Customers do not sign the document at all.

47.2 Every right at any time vested in the Bank vis-à-vis the Customers pursuant to this document shall be deemed vested in the Bank vis-à-vis the Customers jointly, vis-à-vis several of the Customers and vis-à-vis each of them severally; and any mention herein of “the Customers” shall be deemed to relate to the Customers jointly, to several of them and to each of them severally.

47.3 The provisions of clause 47 shall apply, subject to the provisions of clause 25 above.

48. **Singular and plural**

Where any account or deposit is operated in the name of an individual, all the provisions in relation thereto, insofar as they refer to the Customers, shall be deemed as having been written in the singular.

49. **Headings**

The clause headings herein are for convenience purposes only and shall not be used in the interpretation hereof.

50. **Ancillary documents**

In any document in which this document is mentioned, the mention shall also include the Request to Open an Account that has been and/or shall be signed by the Customers in connection with the account the subject of this document, as well as any request, exhibit and document mentioned herein, insofar as relevant to the

matter. All the aforesaid constitutes an integral part of this document .

PART D – TERMS OF SUBSCRIPTION (CREDIT CARD, ATM CARD)

This part shall apply where the Customers indicate in an exhibit to the request that they are interested in the Bank and/or the credit card company on their behalf (hereinafter referred to as **“the credit card company”**) (the Bank and the credit card company are hereinafter jointly and severally referred to as **“the Bank”**) issuing to any of the Customers and/or an authorised representative on their behalf, from time to time, a credit card, ATM card or card combining the features of both a credit card and an ATM card; and the Customers or the authorised representative (as the case may be) hereby agree that any card as aforesaid that the Bank agrees to issue, alone and/or together with the credit card company, shall be governed by the following terms, conditions and provisions:

51. **Definitions**

“the Bank” – for the purpose of this part, Bank Leumi le-Israel B.M.;

“demand for payment of a voucher” – for the purpose of this part, the furnishing of a voucher for collection through the Bank or the furnishing of a voucher for collection in another manner agreed between the Bank and the service provider or other credit card companies, including electronic transfer, shall be treated as a demand from the Bank to pay such voucher;

“standing orders” – instructions or authorisations through a credit card to make ongoing payments in favour of a service provider the overall amount of which has not been determined in advance, as reported by the service provider;

“the Law” – the Debit Cards Law, 5746-1986, as amended from time to time, including the regulations promulgated pursuant thereto;

“the account” – for the purpose of this part, the account/s the number/s of which is noted at the beginning of this document, or any other account replacing it/them, including where, for any reason, the number of the account is altered, as well as any other account that the Customers have requested be debited in respect of the card;

“the card” – a plate or any other object or medium defined by the Bank as a card designated for repeated use, *inter alia*, to make purchases or withdraw monies – by way of debiting the account, including a credit card and an ATM card, as defined below;

“the Customers” – hereinafter and only for the purpose of this chapter, any of the account holders and/or the authorised representative, as the case may be;

“the amount denominated on a voucher” – any amount in Israeli currency or in the main debit currency as denominated on a voucher, as the case may be, or – if the amount denominated on a

voucher is in another foreign currency – the counter-value of the aforesaid amount in the main debit currency at the rate at which the Bank has been debited by the relevant credit card organisation, plus conversion commission;

“the credit card company's customary rate” – means the rate at which the Bank is debited by the credit card company in respect of conversion of the main debit currency into shekels or the rate at which the credit card company calculates the conversion of foreign currency into the main debit currency, which is determined by the credit card company in accordance with the prevailing international arrangements relating to the relevant credit card, including by the relevant credit card organisation. This rate may also include conversion commission;

“credit card company” – the credit card company operating on the Bank's behalf for the card's issue and for the management and operation of the card's plan as stated in the request to issue the card or in notices that shall be sent to the Customers in connection with the card and/or anyone on its behalf and/or anyone replacing it;

“foreign currency business day” – for the purpose of this part, a day on which the Bank actually executes transactions in the relevant foreign currency, without limitation on the amount of the transactions, and in respect of which banking corporations generally perform clearing of the banking instruments;

“credit card” – a card designated for the purchase of assets and services without immediate payment of the consideration, receipt of credit and execution of transactions that the Bank allows from time to time. This expression shall also include a credit card that includes the features of an ATM card;

“international credit card” – a credit card that may be used in Israel and overseas, including for the withdrawal of foreign currency and execution of transactions overseas, and for use in Israel for effecting purchases from suppliers overseas;

“local credit card” – a credit card that may only be used in Israel and that may not be used overseas and/or for effecting purchases from suppliers overseas;

“ATM card” – a card enabling the execution of various transactions through ATMs and other similar machines as the Bank allows from time to time, including the withdrawal of monies and receipt of information in respect of accounts at the Bank;

“immediate debit card” – a card serving as an ATM card and as a credit card; however, unlike a credit card, the debit date in respect of purchases through it is shortly after the transaction's execution as set forth in clause 56.9.8 below;

“the card holder” – anyone holding the card at the request of the Customers or any of them, whose details are impressed on the card;

“main debit currency” – the U.S. dollar or the Euro, depending on the type of card;

“**service provider**” – businesses, various banks, including the Bank, and service providers which generally supply assets (as defined below) to card holders, in Israel or overseas;

“**asset**” – real estate, chattels, money (subject to the provisions of clause 52.1 below), services, rights and any other item included in the definition of this expression in the Law;

“**the Bank’s agents**” – any person or legal entity in Israel or overseas, to whom or which the Bank has commissioned the execution of any transactions, whether necessary or desirable, in connection with the card, in whole or in part, whether or not the Bank has previously engaged such agent in banking or other matters, and including any branch or representation of the Bank overseas;

“**corrective interest**” – interest at the rate fixed by the Bank for debiting or crediting the account in the case of a mistake or other correction, subject to the provisions of any law;

“**voucher**” – any document or any other means (including electronic) for recording data that is issued by a service provider in relation to the purchase of an asset, including the withdrawal of monies overseas by the card holder, on which or in respect of which the number of the card has been impressed or recorded;

“**credit voucher**” – a voucher bearing the details of the card, which states the name of one of the credit tracks prevailing at the Bank;

“**overseas voucher**” – any voucher bearing the card details of the card holder, which has been issued in respect of withdrawals overseas or transactions overseas (including Internet transactions with a business domiciled overseas).

52. The card

52.1 The card – the property of the Bank

52.1.1 The credit card is the property of the Bank. An ATM card is the property of the Bank. The card is intended for the exclusive use of the cardholder, who undertakes to sign on the back of the card and to use it only in accordance with the various uses for which the card may be used pursuant to its type and pursuant to the instructions given from time to time by the Bank, and in any event only for the uses permitted by law. The card holder may not use the card to obtain money or money’s equivalent (other than from banking corporations as defined in the Banking (Service to Customer) Law, 5741-1981), save as provided in clause 57 below, with the exception of the purchase of foreign currency from currency service providers and the withdrawal of cash from businesses whose agreement with the Bank allows them to provide cash services. The Bank may debit the account in respect of any use of the card exceeding that

permitted, including special commission that has been and/or shall be determined by it.

52.1.2 The Customers undertake not to make any use of the card at businesses, banks or other entities as a means of acquiring credibility or identity. Without derogating from the aforesaid, the Customers acknowledge that the service provider may demand that they identify themselves to it by presenting identification documents for the purpose of executing transactions.

52.1.3 The Customers undertake not to make any use of the card for the purpose of obtaining credits through the card without obtaining the Bank’s approval, save for a credit resulting from the cancellation of a transaction executed by them with a service provider, and save for credits that the Bank may execute with the card.

52.2 Safe-keeping the card and the PIN

The card may not be given to another or others except for safe-keeping in reasonable circumstances (delivery together with the PIN is not considered delivery in reasonable circumstances) and the Customers undertake to look after the card in order to prevent its use by another/others.

Whenever the Bank agrees to give the Customers a card, it will also give them a closed envelope containing the PIN (hereinafter referred to as “**the PIN**”). The Customers undertake that if the envelope is not completely closed, they shall not make any use of the card and shall return it to the Bank as soon as possible as provided in clause 52.7 below. The Customers undertake not to write down the PIN on the card or on any document or object in the card’s vicinity, in an overt or encoded manner, and not to reveal the PIN to another or others, since this could cause damages to the Customers and/or to the Bank.

It is expressed that a breach of the Customers obligations pursuant to this clause shall be deemed delivery of the card to another other than in reasonable circumstances in accordance with clause 59 below. In such case, the Bank may refuse to credit the Customers in the amounts of transactions executed through the card’s misuse, subject to the provisions of the Law.

52.3 Smart card

In the event that the card given to the Customers is equipped with a computer chip (hereinafter referred to as “**smart card**”), the following provisions shall apply:

52.3.1 The smart card's receipt obliges the Customers to enter the PIN on executing a transaction, where the service provider has an electronic point of sale designated for smart cards (hereinafter referred to as "smart point"). The manner of obtaining the services from a service provider who or which does not have a smart point remains unchanged and the voucher will still have to be signed.

52.3.2 The Customers acknowledge and agree that the PIN's entry is like signing the voucher and that therefore a transaction executed through a smart card, in respect of which the Customers enter the PIN, shall not be deemed a "transaction with an incomplete document" as defined in the Law.

52.4 **Cancellation of the card/arrangement**

The Bank may, at any time – by giving notice in writing and/or by telephone and/or in any other way of which the Bank gives notice – cancel the card, block the possibility of using any services through the card, decline to renew the card, refuse to issue another card and bring the entire arrangement pursuant to this document to an end. The Customers shall return the card to the Bank immediately upon receiving notice of cancellation or refusal to renew the card from the Bank.

No prior notice will be required if the card is blocked or the use thereof is restricted where there is reasonable concern that the Customers will be unable to make the payments deriving from the use thereof on time and/or in the case of reasonable concern of the card's misuse.

52.5 The Customers may bring the arrangement pursuant to this document to an end at any time, by giving written notice (from the Customers or any of the Customers) together with the card's return to the Bank, provided that the arrangement's termination shall only become effective on the delivery of notice as aforesaid together with the card's return to the Bank, except where the card has been lost, stolen or destroyed, and subject to performance of all the Customers obligations to the Bank, including – but not only – payment of all the Customers debts to the Bank in accordance herewith.

52.6 The Customers undertake to return the card to the Bank immediately upon the account's closure for any reason and/or where the right of the Customers or the card holder to use the card is cancelled and/or on the card's expiry date and/or on the arrangement's termination or in the circumstances set forth in clauses 53 and 54 below and 13.26 above, and not to make any use of the card (including the number impressed thereon); and they

acknowledge that the Bank may continue debiting the account in respect of any voucher and/or debit relating to a transaction executed prior to the card's cancellation or prior to the card's return and/or by use of the card's data that was made by the card holder. The Bank may also, without obligation, even after the card has been returned or cancelled, continue debiting the account in respect of credit provided through the card and/or in respect of cash withdrawals made through the card and in respect of debit returns that have been cancelled.

52.7 In this document, the card's return means the actual delivery thereof to the Bank or its dispatch by registered mail, with its magnetic strip being cut.

53. **The account as a joint account**

53.1 Subject to the provisions of clause 52.4 above, each of the account holders may request a credit card from the Bank with his name impressed thereon or an ATM card (together with a PIN in respect thereof) and liability for compliance with the provisions of this document shall rest upon all the account holders, jointly and severally.

53.2 Notices with respect to the cards may be sent to all the account holders jointly, except where a different address has been recorded for the purpose of sending notices with respect to the cards.

53.3 The the card enables / will enable information to be received by using the card through various automated machines, in respect of different accounts and deposits of the Customers at the Bank, including provident fund accounts, even if they are operated in the name of only one of the Customers, if they are linked to the account, and the Customers consent thereto. The aforesaid does not oblige the Bank to allow information to be received through the card.

53.4 The card enables / will enable any one of the Customers holding a credit card to do all the acts and execute all the transactions that the Bank allows, including, but not only, changing of debit dates, receiving credits and the execution of transactions without the need for the physical presentation of the card.

53.5 The Customers undertake that immediately upon learning of the cancellation or expiry of the right of any of the Customers to act separately in the account, including in the case of the death of one of the joint account holders, the Customers will stop using any card that has been issued for the Customers' use pursuant hereto, and return it to the Bank. For the avoidance of doubt, it is expressed that until the card has been returned to the Bank, the Bank may (without obligation) continue allowing the card's use

and debit the account in respect of any such use.

53.6 Where the branch receives written notice of cancellation of the authorisation of any of the account holders (where the account is a joint account), or where the branch receives notice of the occurrence of any event that according to the laws of the State of Israel brings the authorisation to an end, the Bank may (without obligation) block the card's use. However, so long as the card has not been returned to the Bank, it may continue to allow the card's use and debit the account in respect of any such use, including in respect of withdrawals through the card (even if the withdrawals have been made by a person whose authority has been cancelled, and even if these withdrawals exceed the amounts that the Customers may withdraw through ATMs). In the event of an authorisation's cancellation as aforesaid, the Customers are responsible for returning the card to the Bank.

Furthermore, the card's return to the Bank will not derogate from the Bank's right, pursuant to the provisions of the law, to debit the account in respect of vouchers and/or debits relating to transactions executed before the card's surrender and/or by use of the card's data made by the card holder and/or in respect of credit provided through the card and/or in respect of cash withdrawals made through the card and/or in respect of debit returns that have been cancelled.

54. **Card issued to an authorised representative who is not the account holder**

54.1 If the Customers request that a card be issued in the name of a person authorised on their behalf (hereinafter referred to as "**the authorised representative**") and that the card be given to him, all the duties, liabilities, and rights pursuant to this document shall apply to the Customers and to the authorised representative.

The Customers shall also be liable to the Bank for the authorised representative acting in accordance with the provisions of this document, and for any act or failure to act on the part of the authorised representative, other than in accordance with the provisions hereof.

54.2 The card's issue and delivery to the authorised representative constitutes the Customers' consent to allow the authorised representative to do, in the Customers name and stead, all the acts and transactions that the Bank allows a joint account holder to execute through the card – in accordance with clause 53 above, and all the provisions of clause 53 above shall also apply to the issue of the card's issue to an authorised representative.

In addition, the card's issue and delivery to the authorised representative constitutes vis-à-

vis the Bank the authorised representative's consent to the possibility of the Customers obtaining information about anything relating to the card, including transactions and acts executed through or in connection with it.

54.3 The account shall be debited in respect of any use made by the authorised representative of the card, in such manner and on such terms and conditions as if the Customers themselves had used the card and the Customers shall be precluded from raising any claim against the Bank regarding lack of authorisation and/or excess of authority and/or lack of legal capacity and/or any claim regarding the card's use in a manner deviating from the provisions of this document or any law.

54.4 So long as the customers have not notified the Bank of the cancellation of the authorised representative's right and returned the card to the Bank, the Bank may continue debiting the account in respect of all the acts and transactions executed through the card, regardless of whether the authorised representative acted with or without authority or in excess of authority, or whether he acted in accordance with the provisions hereof or not, and the Customers hereby waive any claim in connection with the debiting of the account in connection with the card's use by the authorised representative, including after the notice of cancellation and until the card's return. In addition, the Customers shall be precluded from raising any claim against the Bank regarding excessive use and/or misuse by the authorised representative.

54.5 The Customers exempt the Bank from liability for any damage and/or loss occasioned to them as a result of the card's misuse by the authorised representative.

The Customers undertake to indemnify and compensate the Bank for any damage occasioned to it as a result of the use or misuse of a card issued to an authorised representative, and the Bank may debit the account in respect of any damage and/or loss as aforesaid.

54.6 Where the Customers are a corporation, in addition to the provisions of clauses 54.1 - 54.5 above, the Customers declare that the authorised representative has been authorised by them, by a duly passed resolution, to debit the Customers by using the card. In addition, and notwithstanding any notice of a resolution to the contrary given to the Bank, the authorised representative may obtain credit on behalf of the corporation through the card in accordance with the terms and conditions of this document and in accordance with the Bank's customary terms and conditions for all the card holders.

It is not possible to execute the customers instructions regarding restricted activity in the account, if given, either with respect to types of transactions or with respects to amounts, insofar as such uses are made through the cards.

Any use of the card as aforesaid shall bind the corporation, which will bear all the liabilities and obligations relating thereto, including in respect of transactions and payments executed by the authorised representative, as well as transactions in amounts exceeding those approved by the corporation, and the corporation may not deny the validity of the liabilities and/or obligations, which shall bind it, vis-à-vis the Bank, for all intents and purposes.

54.7 Where the authorised representative is a minor, in addition to in the provisions of clauses 54.1 - 54.5 above, the Customers expressly exempt the Bank from any claim resulting from the fact that the authorised representative is a minor, and the card's use by him shall be deemed use of the Customers even if such use is invalid or may be cancelled, pursuant to the Legal Capacity Law.

55. **Multiple cards**

If the Customers are issued with more than one card, the provisions hereof shall apply to each such card and the expression "the card" shall be deemed to refer to each card.

56. **The card as a credit card**

56.1 **The duty to pay**

According to international and/or local arrangements binding the Bank, the Bank must effect payment against each voucher; and, if the currency in which any voucher is denominated is a foreign currency that is not the main debit currency, then, until the Customers receive notice of any change occurring in the international accounting arrangements, the Bank must pay the counter-value of such currency in the main debit currency at the rate of exchange prevailing in the credit card company. Commencing with the Customers' signature of this document, the Bank's obligation to effect payment against any voucher shall be deemed an obligation assumed by the Bank at the Customers request, which is irrevocable. It is hereby declared that a voucher also includes a voucher in respect of cash withdrawals from automated machines overseas.

56.2 **Service centres**

For the purpose of providing services to the credit cardholder who is overseas, or to enable transactions to be executed with service providers overseas, the Bank requires the assistance of service centres overseas. The

Bank shall not be liable for any error or omission or malfunction occurring or committed by such a centre.

56.3 **Validity and renewal**

The credit card is in force until the date appearing thereon as the expiry date. The Bank is requested to issue to the Customers, shortly before the card's expiry date, a new card for the period then prevailing at the Bank and the terms and conditions of this part shall apply thereto, without the need for the signature on other terms and conditions of operation; and the same shall apply on the expiry of each such additional period; however, the Bank shall not be obliged to issue the new card to the Customers as aforesaid. Upon receipt of the new or replacement card, the expired card shall be returned by the Customers to the Bank, or destroyed by the Customers if the Bank so requests, unless it has been lost or stolen from the Customers. The renewal of an international credit card issued for a period of three months or any other period shorter than the customary period requires an additional request.

56.4 **The card facility**

Each holder of a credit card may use it to purchase assets in an aggregate amount not exceeding the amount fixed by the Bank from time to time as the maximum amount, in the aggregate, of transactions that the Customers may execute with the card (hereinafter referred to as "**single card facility**") and/or as being the maximum amount, in the aggregate, of transactions that the Customers may execute with all or some of the cards issued in the account at any given time (hereinafter referred to as "**the account card facility**"). The single card facility and the account card facility are hereinafter jointly and severally, as the case may be, referred to as "**the card facility**"). The card facility also includes the unpaid credit that the Bank has provided to the Customers through the card. The Bank may (without obligation), in its exclusive discretion, provide a facility in addition to the card facility (hereinafter to as "**unilateral facility**") (the card facility and the unilateral facility are hereinafter jointly and severally referred to as "**the card facility**"). The Bank shall give notice thereof to the Customers, including in the periodic statement.

The the allocation of the card facility (including the unilateral credit facility) is not dependent upon the credit balance in the account and/or upon the credit facility in the account (if approved) and the Customers undertake to ensure that on the date of debiting the account the amount of the debit does not exceed the credit balance in the account or the amount of the credit facility that the Bank has approved for the Customers

in the account (if approved). However, the Bank will also debit the account in respect of vouchers in an amount exceeding the above limits.

The card facility's validity

The card facility shall be valid for such period as determined by the Bank, unless cancelled or reduced prior thereto, but in any event for not more than one year from the date of the card's issue. The Customers request that on the card facility's expiry, the card facility will be renewed for an additional period determined by the Bank, and in any event for not more than one year, and so on and so forth. Each renewal of the card facility is in the exclusive discretion of the Bank, which is not and will not be obliged to renew it, in whole or in part, for any additional period. Any renewal of the card facility shall take effect immediately upon the expiry of the card facility that preceded it, unless the Bank notifies the Customers in writing before the card facility's expiry or non-renewal. Notice as aforesaid shall be furnished on the date obliged by law.

If the Bank decides to cancel the card facility and/or not to renew it for an additional period, the Customers will be liable (subject to the provisions of clause 13.26.6 above) to pay all the amounts due and becoming due from the Customers in respect of the card, including the credit provided to the Customers through the card, on the date of the cancellation or reduction or on the card facility's expiry, unless the Customers have been notified by the Bank to the contrary.

The Bank may, at any time, at its discretion, change the card facility or its terms and conditions, for a fixed period of time or until expiry of the card facility available to the Customers at such time, including by reducing it, increasing it, dividing it for transactions and/or for the provision of credit and generally do any other act in relation to the card facility, in its exclusive discretion and subject to the law.

The Bank may cancel and/or reduce the card facility on notice pursuant to any law or immediately and without notice, where the Bank might be at risk of being unable to collect all the amounts now or in future due from the Customers to the Bank in respect of transactions executed with the card, including in respect of credit received by the Customers through the card, together with outstanding interest, in consequence of a change for the worse in the Customers payment ability or on the creation of other conditions obliging the card facility's immediate reduction or cancellation, including in the cases listed in clause 13.26 above or in other cases permitted by law.

In the event of the card facility's cancellation / reduction immediately and without prior notice as aforesaid, notice thereof shall be sent to the Customers simultaneously with the reduction / cancellation.

56.5 If the Bank approves the execution of a transaction in any amount, the Bank may treat the amount of the transaction as having been utilised by the Customers from the card facility, even if after the approval the transaction is not actually executed for any reason.

The Bank may decline to approve the execution of transactions of a certain type and/or with certain service providers and/or approve it as requested even if the transaction amount does not exceed the card's available facility, or there is a sufficient balance in the account, including, but not only, where there is concern of misuse of the card or its details or any concern of a risk deriving from the law or where its payment dates fall after the card facility's expiry, or if, according to the arrangements between it and the service provider or another credit card clearing company, the transaction's execution or method of executing it is not permitted. The Bank need not give reasons for its refusal to approve the transaction or any part thereof and the Customers exempt the Bank in advance from any claim for damage, mental anguish or loss of profit occasioned to the Customers as a result of such refusal.

Without derogating from the generality of the aforesaid, the Bank may, in its exclusive discretion, approve the execution of any transaction, even if its amount exceeds the card facility. It is expressed that such approval shall not oblige the Bank to approve additional transactions exceeding the card facility and such approvals shall be subject to the Bank's exclusive discretion, and in the event that a deviation is approved by the Bank, the Customers may not in future raise any claim in connection with the Bank's consent to allow the Customers a deviation also in future and/or in connection with the Customers' reliance on the amount utilised in excess of the card facility.

56.6 Exemption from liability for assets

The Bank shall not bear any liability in the event that any service provider refuses to honour the credit card or makes the honouring thereof subject to any conditions. In addition, the Bank shall not bear any liability in connection with the supply (including the time of supply), quantity, quality or standard of any assets ordered or purchased by, or supplied to, the credit card holder by any service provider; and no claim by the credit card holder or by the Customers in respect of or in connection with any such matter shall be available to it or the Customers vis-à-vis the Bank even if such

claim or plea would have been available to it or the Customers against any service provider.

Likewise, subject to the provisions of the law, the Bank shall not be liable to take any steps against any service provider or other entity in respect of or in connection with pleas or claims of the credit card holder or of the Customers. However, in the event that any service provider transfers or refunds to the Bank any amount in connection with a transaction with the card – the Bank shall credit such sum to the credit of the Customers' account, less expenses.

56.7 Cheques drawn against the card's presentation

For the avoidance of doubt, it is expressed that cheques drawn against the card's presentation shall not alter the Bank's customary procedures in respect of the payment of cheques drawn on an account.

56.8 Standing orders

The grant of standing orders enables the service providers to present debits to the Bank so long as the standing order has not been cancelled on notice to the credit card company (by the service provider or by the Customers), in accordance with and subject to the terms and conditions of the standing order. Any such debit that is presented to the Bank shall be treated like a voucher requiring payment in accordance within clause 56.1 above. In the event that the customers instruct the credit card company to cease debiting the account with payments resulting from the standing orders or cause the cancellation of the standing orders, the Bank shall cease debiting the Customers in respect thereof. The Customers shall bear all the liability deriving from an instruction as aforesaid to the credit card company.

Notwithstanding the aforesaid, if the card is cancelled for any reason without a replacement card being issued, but the holder of the cancelled card has another card that was issued in the account by the Bank together with such credit card company, the standing orders in respect of the cancelled card shall be transferred to the aforesaid card. If the card is cancelled for any reason without a replacement card being issued and the holder of the cancelled card does not have another card that was issued in this account by the Bank together with such credit card company, all standing orders in respect of the cancelled card shall be cancelled. The Customers undertake to arrange with the service providers for the cancellation of standing orders if the account is closed for any reason or if the Customers' right to use the card is cancelled. Without derogating from the aforesaid, the Customers authorise the Bank to notify the service providers of the standing

orders' cancellation in the Customers name and stand, and exempt the Bank from any damage and/or loss and/or loss of profit or rights occasioned to the Customers in consequence thereof. The Bank shall not be obliged to act in accordance with such authorisation and may, without obligation, continue debiting the account with payments deriving from standing orders that have not been cancelled by them, as aforesaid.

Notwithstanding the aforesaid, the Customers acknowledge that in the event that a card issued to the Customers is cancelled or expires, and a new card is issued to the Customers in its stead, including a card bearing the same number, all the standing orders given by the Customers to debit through the cancelled or expired card shall remain in force and be transferred to the new card and/or replacement card issued to the Customers by the Bank.

Transfer of standing orders in respect of a card:

In the event that the customers request to transfer the standing orders in respect of a card, in consequence of the card's cancellation or otherwise, the credit card company shall give notice to the service providers of the card's cancellation (if and insofar as cancelled) and of the details of the new debit card for the purpose of debiting the new card through the standing orders. In addition, the credit card company shall notify the service providers of the new card's details, including its full number and expiry date, and of the Customers identity number and the full number of the card that was cancelled (if and insofar as cancelled).

The credit card company is hereby authorised to notify the service providers of the new card's number, and of all the details of the Customers and/or details of the card that are necessary to continue the debiting through the standing orders and/or itself transfer the standing orders to the new card. The liability for transferring the activity in standing order transactions to the card issued to the Customers rests with the issuer/s of the old card/s, and the Customers exempt the Bank from any liability in respect thereof. The activity shall only be transferred in relation to "active" standing orders in accordance with the definitions of the issuer of the credit card from which the Customers wish to transfer the standing orders. The Customers acknowledge that execution of the instructions to transfer the activity in standing order transactions is conditional upon the Bank's approval of the joining request, the card's receipt by the Customers, the card's activation by the Customers and the existence of a sufficient facility in respect of the card.

56.9 Account debit dates

Where the Bank and/or its agent has paid or has been requested to effect payment against any voucher, the account will be debited according to this document with the amount denominated on the voucher on the following debit dates:

Regular debit dates

56.9.1 Where the voucher was issued by a service provider overseas, including in respect of cash withdrawals from automated machines overseas and including an on-line transaction with a service provider domiciled overseas, in foreign currency or in New Israeli shekels – the account will be debited in the amount denominated on such voucher shortly after the date on which the debit reaches the credit card company (unless the Customers have asked the Bank to act otherwise in accordance with the Bank's practice) or on the debit dates determined by the Bank from time to time (hereinafter referred to as **"the payment date"**);

56.9.2 Where the voucher was issued by a service provider in Israel and denominated in foreign currency and where the voucher relates to cash withdrawals in shekels or foreign currency in Israel or overseas – the account shall be debited on the payment date as defined above.

56.9.3 In respect of vouchers issued by a service provider in Israel and denominated in Israeli currency, which are not in respect of cash withdrawals, the Bank shall debit the account with the amount denominated on such vouchers monthly, on such date as the Customers select from a number of alternative dates determined by the Bank or, if no such date is selected, on such debit date/s as determined from time to time by the Bank, unless the Customers have asked the Bank to act otherwise and the Bank has agreed (hereinafter referred to as **"the monthly debit date"**).

The monthly debit date may be changed on notice from the Customers to the Bank pursuant to its prevailing arrangements, and might involve commission and debiting twice a month in the transitional period. The Bank may, from time to time, vary the frequency of the debits and the monthly debit dates and also add additional debit dates, either for all purchases with the card or for purchases of a particular type and/or from particular service providers, on prior notice, as required from time to

time pursuant to the provisions of any law.

56.9.4 In the event that the Bank does not debit the Customers' account with the amount denominated on any voucher on the debit date, the Bank may debit the account on a later date with value of the debit date or with the addition of corrective interest, in the Bank's discretion and subject to the law.

Deferred debit dates

Subject to the provisions of clause 56.9.7 below, the regular debit dates may be deferred in the following cases:

(1) Where pursuant to the agreement between the Customers and any service provider the voucher details deferred debit dates (hereinafter referred to as **"the deferred debit dates"**), the Bank will debit the account with the amount denominated on such voucher, or with parts of the voucher's amount, as detailed thereon, on the deferred debit dates, subject to the date of the vouchers' presentation for collection by the service provider and subject to the Bank's approval.

(2) Where pursuant to the agreement between the Customers and any service provider a number of payments have been noted on the voucher and the Bank has approved same, the Bank will debit the account with parts of the voucher's amount as noted thereon, from the next debit date and on the debit dates thereafter, in accordance with the number of payments noted on the voucher (hereinafter referred to as **"the payment debit dates"**).

(3) Where the voucher is a credit voucher within the scope of one of the credit arrangements detailed below and/or prevailing at the Bank at such time in respect of the relevant card, or the Customers request credit from the Bank in another way, and the Bank agrees, the account will be debited on the payment dates fixed for the credit's payment pursuant to the aforesaid arrangements (hereinafter referred to as **"the credit payment dates"**).

(4) The aforesaid shall not apply to the use of an immediate debit card, unless the Customers have received notice to the contrary from the Bank.

56.9.6 Notwithstanding the provisions of clause 56.9.5 above, if after a voucher is presented to the Bank in respect of a deferred payment transaction (as defined in the Law), the Bank receives written notice from the Customers that

the asset the subject of the aforesaid voucher was not supplied to the Customers and that the Customers cancelled the transaction, or in the event that the Bank learns that an application has been filed in court for the grant of a receivership order and/or liquidation order and/or bankruptcy order against the service provider and the application for the order is furnished to the Bank, the Bank shall cease debiting the account with the balance of the amounts not yet paid by the Customers pursuant to the aforesaid voucher, as soon as possible after the notice's receipt.

The aforesaid does not derogate from the Bank's right to re-debit the account with the balance of the aforesaid amounts, in whole or in part, in their value on the date on which they should have been debited, were it not for the debit's cessation, if it learns that the asset or part thereof was supplied to the Customers or that the Customers did not cancel the transaction. The notice detailing the reasons for the debit will be given to the Customers in accordance with the Law.

56.9.7 **Immediate debit**

Notwithstanding the aforesaid, with regard to the various debit dates, the Bank may debit the account with the amount denominated on any voucher, immediately, even prior to the debit dates and/or the deferred debit dates and/or the payment debit dates and/or the credit payment dates, and the Customers shall be liable to pay them to the Bank, immediately, even without the need for prior demand or notice, in each of the cases detailed in clause 13.26 above. All the aforesaid shall be effected without prejudice to the Customers' rights regarding deferred payment pursuant to the Law.

56.9.8 **Immediate debit card**

The debit dates in respect of purchases effected through an immediate debit card shall fall three business days after the date on which they are made (including the date on which the purchase is effected) or from the voucher's receipt by the credit card company, and the provisions of clauses 56.9.2, 56.9.3 and 56.9.5 shall not apply.

The Bank may alter the debit dates pursuant to this clause at any time on prior notice that shall be given to the Customers pursuant to the law.

56.9.9 **Debit date falling on a day that is not a business day**

Where any debit date falls on a day that is not a business day, it shall be postponed to the first business day thereafter and the interest, if any, shall be calculated and paid accordingly until such day.

56.9.10 **Payment of debits in an account/arrears account**

The Customers undertake to pay any amount with which the account is debited pursuant hereto on the date on which it is debited to the account or, if the debit falls within the credit facility that the Bank has approved for the Customers in the account (if approved), to pay it on the Bank's demand and subject to this document.

56.9.11 Where on any date following the debiting of the account as aforesaid, the Bank decides, in its discretion (also taking into account the other debits that have been or are about to be debited to the account) that the account lacks sufficient cover for the aforesaid debit, or part thereof, and the Bank is not prepared to grant the Customers a credit facility for the purpose of providing cover as aforesaid, the Bank may cancel the debiting of the account in respect of the aforesaid debit (or such part thereof that is without cover) and debit the same to a separate account in the Customers name, in Israeli currency or in foreign currency, at the Bank's election, to be opened by the Bank for such purpose (in the framework of a series of current accounts or any other series) (hereinafter referred to as "**arrears account**"), even if various credits and debits have been made in the account before the debit's cancellation. The arrears account shall be governed by the terms and conditions of this document.

The aforesaid shall also apply if the account has been closed.

56.9.12 The provisions of this clause do not derogate from the Bank's right to debit any other account of ours as provided herein.

56.10 **The account type and the manner of debiting it**

56.10.1 The account type and the manner of debiting it for the purposes of this document shall be determined as follows:

In the case of an overseas voucher denominated in foreign currency or a

voucher denominated in foreign currency that was issued in connection with a transaction in Israel in one payment – the foreign currency account noted at the beginning of this document shall be debited, in consideration for the foreign currency amount in accordance with the credit card company's customary rate, with the main debit currency, and if only an account operated in Israeli currency is noted – the Customers' aforesaid account shall be debited with the counter-value in Israeli currency of the amount denominated in such voucher, in accordance with the credit card company's customary rate on the date of the demand for the voucher's payment.

In addition, it is expressed that where a foreign currency account is noted for the purpose of debiting in respect of overseas vouchers denominated in foreign currency, the debit shall be effected in the main debit currency and if the foreign currency account does not have a sufficient balance in the main debit currency, the Bank may, without obligation, purchase any amount in the main debit currency for the purpose of paying the debt balance created in the main debit currency and sell, for such purpose, another foreign currency or Israeli currency, at the bank's election, standing to the Customers' credit.

Any purchase or sale aforesaid shall be effected (if at all) in accordance with the Bank's customary rate. In the event of a transaction's cancellation, the account shall not be debited with conversion commission. In the event of a credit in the transaction amount, the account shall be debited with conversion commission.

The aforesaid does not derogate from the Bank's right pursuant to the terms and conditions of this document.

In the event that the Customers join one of the credit tracks designated for transactions / withdrawals in respect of which an overseas voucher will be issued – the debit for these transactions is only effected in an Israeli currency account.

56.10.2 If the voucher is denominated in Israeli currency – the account noted above, which is operated in Israeli currency, will be debited.

56.11 **Objections**

The Customers shall examine the details of the periodic statements as defined in clause 66

below and in the notices sent to the Customers by the Bank, and shall give notice of their objections, if any, to the credit card company, within 30 days of their receipt. The Customers shall give the credit card company all the documents and evidence in their possession in substantiation of their objections and shall help it make the necessary enquiries, including for the purpose of mitigating the Bank's damages.

If the Bank has documents that the Customers can use to substantiate their claims as aforesaid, the Bank shall furnish copies thereof to the Customers, on the Customers' written demand, against such payment as prevailing at the Bank for such matters at the time. The aforesaid does not impose any duty on the Bank to keep documents as aforesaid.

The aforesaid does not impose any duties on the Bank beyond those prescribed in the Law and does not derogate from the Customers' rights pursuant to the Law.

56.12 **Unauthorised changes**

Without derogating from in the provisions of clauses 56.11 above and 56.13 below, on the execution of a transaction with a service provider, the Customers undertake to sign a voucher only after examining the details appearing on the voucher and ascertaining that they are correct. The Customers' signature on the voucher shall constitute admissible evidence of the correctness of the voucher's details, including the amount denominated thereon. If the Customers are debited with an amount exceeding the amount of the voucher signed by them, they shall give notice thereof to the credit card company within 30 days of notice to the Customers of the debit, and the Bank shall refund the Customers in respect of the difference between the amount of the signed voucher and the amount of the voucher with which the Customers were debited, in accordance with the debit date value or plus corrective interest – in the Bank's discretion and subject to the provisions of the law, within 10 days of the date of the Customers' notice.

The aforesaid does not derogate from the Bank's right to re-debit the account at any time with the difference, in whole or in part, in its value on the debit date or plus corrective interest – in the Bank's discretion and subject to the provisions of the law, if the Bank is of the opinion that the Customers owe such a difference, in whole or in part. The credit card company shall notify the Customers of its reasons for the debit, and at the Customers' request shall within a reasonable period of time furnish copies of the documents in its possession in connection therewith.

56.13 Transactions with an incomplete document

It is hereby expressly declared that the Bank's right to debit the account is not, and shall not be, conditional upon the voucher in respect of which the Customers were debited having been signed by the credit card holder or anyone else. However, if within 30 days of notice to the Customers regarding any debiting it transpires that the debit is in respect of a voucher that has not been signed by the credit card holder or that the voucher is, in any other respect, a transaction with an incomplete document as defined in the Law, and the credit card holder notifies the Bank in writing that the transaction was not executed by him or that the document's details were filled out other than in accordance with the amount undertaken by him – then and in such case, the Bank shall refund such debit amount or the difference between the debit amount agreed to by the card holder and the amount noted on the voucher, within 10 ten days of receiving the card holder's notice, in its value on the debit date or plus corrective interest, at the Bank's discretion and subject to the provisions of the law.

56.14 The aforesaid does not affect the Bank's right to re-debit the account with the amount of the debit, or difference, as aforesaid, in its value on the debit date or plus corrective interest, in the Bank's discretion and subject to the provisions of the law, if the Bank is of the opinion that the transaction was executed by or with the approval of the credit card holder. The credit card company shall give notice to the Customers of its reasons for the debit and, at the Customers request, shall furnish them, within a reasonable period of time, with copies of the documents in its possession in such regard.

56.15 Restricting use/cancelling/blocking of card

56.15.1 Without derogating from the aforesaid, the Bank may decline to grant the Customers approval to execute a transaction with the card if, in its discretion, such use might be illegal. The aforesaid does not impose any duty on the Bank to check the legality of transactions executed by the Customer or not to approve such a transaction and the Customers undertake to act in accordance with the law. The Customers exempt the Bank from any liability vis-à-vis the Customers if any transaction is approved or paid and as a result thereof the Customers violate the provisions of the law in connection with the card's use.

56.15.2 The Bank may withhold the card or take it, itself or through someone

authorised by it, subject to the provisions of any law. In the event of the card's cancellation and/or expiry in accordance with the terms and conditions hereof, a service provider may keep a card that has expired or been cancelled as aforesaid, which was presented to it. The taking of the card as aforesaid shall be deemed notice by the Bank of its cancellation.

56.15.3 The Bank may, at its discretion, from time to time determine restrictions for one or more of the types of uses that may be made with the card, including, but not only, the maximum amount for transactions with a particular service provider, or restrict such uses in circumstances in which the Bank may, in accordance with the law, suspend the card's use (hereinafter referred to as "**the use restrictions**"). The Bank may, in its discretion, instruct the service provider not to honour the card in the event of deviation from the use restrictions or require it to obtain the Bank's prior approval or approve the card's use with the restrictions imposed by it.

57. Various services through automated machines

57.1 Uses

57.1.1 A card that includes the features of an ATM card enables the execution of various operations through ATMs, other similar automated machines installed at the various branches of the Bank other banks or other locations or through Automated Bank Services (ATMs or other similar automated machines as aforesaid and any other machine of which the Bank gives notice through the media or in any other way – which may be operated with the card, are hereinafter referred to as "**ATMs**", and each ATM or other automated machine as aforesaid is hereinafter referred to as "**ATM**");

57.1.2 Some of the ATMs will be operated for the Bank and other banks by Automated Bank Services or by another entity, and shall also be at the disposal of the other banks, and some of the ATMs will also be operated through the other banks;

57.1.3 ATMs of other banks or of Automated Bank Services may decline to allow the Customers from time to time, or permanently, to actually execute some of the various transactions that the Bank allows on its own ATMs and/or that are detailed in the operating instructions (as defined below);

57.1.4 For the purposes of this clause, “**operating instructions**” means the instructions appearing on, or adjacent to, or on the screen of the ATMs.

57.2 Correct use of the card

The Customers may use the ATMs to execute the transactions detailed in the operating instructions, and other transactions of which the Bank notifies the Customers from time to time, such being solely in accordance with the instructions set forth in the operating instructions, in the Bank’s notices as aforesaid and in this clause.

The Customers shall be liable to the Bank for any damage occasioned to the Bank in consequence of negligent or incorrect use of the ATMs by the Customers.

57.3 Value date for the execution of instructions

The Customers instructions to execute transactions keyed in to any ATM by the time stated in the operating instructions (as defined in clause 57.1 above) as the time for close of business on a business day (“**the determining time**”) shall be dealt with by the Bank as though given to the relevant branch on such business day or on the first business day thereafter, in accordance with the value on the date of giving the instructions, while the Customers’ instructions that are keyed into any ATM on a day that is not a business day (at any time) shall be dealt with by the Bank as though given to the relevant branch on the first business day after the date of being keyed in as aforesaid. However, the Bank may (without obligation) deal with any instruction as though given to it on the day it was keyed into the ATM, if it notifies the Customers thereof in advance.

The Bank may from time to time alter the determining time, on notice to the Customers through the operating instructions or in any other way.

57.4 Deposit of cheques and cash and making of payments through ATMs

57.4.1 In the case of ATMs the operating instructions of which permit the deposit of cheques and/or cash, cheques or cash may not be deposited where the amount thereof exceeds the amount stipulated by the Bank from time to time for depositing cheques and cash through the ATMs during any particular period (hereinafter referred to as “**the maximum amount**”). The maximum amount shall be specified in the operating instructions.

The Customers alone shall be liable for the deposit of an amount exceeding the maximum amount; however, the

Customers shall not be precluded from claiming or proving that they deposited any amounts in excess of the maximum amount.

57.4.2 The Customers undertake that at the time of depositing cash, they will only deposit banknotes, and not coins.

57.4.3 Where the deposit is in favour of a third party, the Customers may only deposit amounts to the credit of another person’s account only after they obtain his consent thereto, and that the Bank may furnish the other person with the Customers’ identification details and the account number and if at any time such person instructs the Bank to return the aforesaid amounts to the Customers, the Bank may credit the account in accordance with his instructions

57.4.4 Making of payments through ATMs

Any payment that the Customers request be made through the ATMs shall only be made in the absence of a legal or other impediment, and on condition that they attach to their request cash or a cheque drawn on the account in a manner conforming with instructions to be given to the Customers from time to time by the Bank, in the amount payable, or the Customers instruct that the account be debited with such amount, subject to the existence of a sufficient balance to carry out such debit. Where the Bank has stipulated a maximum amount that may be paid through ATMs, it may accept a payment in an amount exceeding such maximum amount.

Notwithstanding the aforesaid, where the Customers instruct the Bank to make various payments and debit any account of the Customers and such account does not have a sufficient balance to make all the payments – the Bank may (without obligation), in its discretion, make such payment/s from amongst them that the Bank deems fit.

57.5 Maximum withdrawal amount

The Customers undertake to withdraw through the ATMs only monies that do not exceed the amount/s mentioned in the operating instructions or in the notices of the Bank that are given to the Customers from time to time in respect of the maximum amount/s that the Customers may withdraw during any particular period, provided that the amount withdrawn is within the limit of the credit balance standing to the Customers’ credit in the Israeli currency account or within the limit of the credit facility that the Bank has approved for the Customers in the account (if

approved). Where more than one card has been issued, all the provisions of this sub-clause shall apply to all the cards jointly.

57.6 **Exemption from liability**

The Customers exempt the Bank from liability for any damage, loss, expenses and payments that might be occasioned to the Customers, directly or indirectly, as a result of a misunderstanding by the Customers regarding the ATMs' operation or as a result of any disruption or malfunction in the ATMs or any communication means (provided that the said disruption or malfunction is not in the Bank's control and that the Bank has made reasonable efforts to prevent it), or by reason of a lack of cash in the ATMs, the Customers are unable to execute any transaction or transactions through the ATMs or are unable to obtain any information or receive information that is not up-to-date; however, the Customers shall not be precluded from claiming or proving that they did not receive all or part of the recorded amount. The provisions of this sub-clause do not derogate from the provisions of any law.

57.7 **Non-execution of instructions**

57.7.1 Without derogating from in the provisions of clause 32 above, in each of the following cases the Bank may, in its exclusive discretion, decline to execute any instruction of the Customers or defer its execution or execute it only partially, and in such case the Bank shall notify the Customers thereof:

- (1) if the instruction has been given otherwise than in accordance with the Bank's standard form;
- (2) if the instruction is unclear or incomprehensible to the Bank;
- (3) if the Bank has discovered any discrepancy between the amount keyed into the ATM by the Customers and the amount/s noted in the document/s to which the instruction relates or in any other case in which the instruction has been given by the Customers other than in accordance with the operating instructions.

If the instruction was given regarding cheques/bills for collateral, collection or to the credit of any account and the cheques/bills, or any of them, have not been attached to the instruction or are tainted in any way (such as: lack of endorsement/s, a first endorsement or special endorsement that is not clear, a discrepancy between words and figures, and the like) or the details of any cheque or bill as aforesaid are inconsistent with the description in the form;

- (4) if the instruction concerns a transaction other than as provided in clause 57.2 above;
- (5) if the instruction's execution involves the debiting of any account of the Customers and the state of such account does not allow this;
- (6) if the instruction concerns a transaction that the Bank does not generally execute;
- (7) if the instruction reaches the Bank after the date fixed for its delivery.

58. **Credit and interest tracks**

58.1 **General**

The Bank enables credit to be obtained through the credit card in accordance with the various tracks prevailing from time to time in respect of the various cards, and the Customers acknowledge that any credit requested through the card shall be governed by the following terms and conditions, having regard to the type of track (hereinafter referred to as "the card credit" or "the credit track"), other terms and conditions agreed at the time of the request for credit through the card and other terms and conditions included in any supplementary document that the Customers receive in connection with the card credit. The Bank is not liable to provide all the types of card credit and may provide different types of credit for different cards. In addition, the Bank may cease providing card credit of any type, at any time. The customers agree that details of the additional terms and conditions on the periodic statements, or in any other notice sent to the Customers, which are sent to the Customers by the credit card company, shall be deemed a supplementary document in respect of the card credit. Commission shall be charged on the provision and management of the credit at the rate customary from time to time for such card and/or with the credit card company which operates the relevant card plan.

The Customers acknowledge that by receiving card credit, the debit dates, terms and conditions by which they shall be debited are not related to the way in which the Bank pays the service provider and that the Bank may pay the service provider or the banking entity which pays the service provider in accordance with the arrangements existing between them at such time and independently of the manner of the debit in respect of the credit track.

58.2 **Definitions**

In this clause, the following expressions shall bear the meanings set forth alongside them:

58.2.1 "card credit request" – any request presented to the Bank in writing or

through a voucher or by telephone or facsimile or e-mail or ATM or through the Bank's website or automated dialing system ("IVR") or by any other means prevailing at the Bank and/or through the credit card company and/or in accordance with the Customers' individual approval in the request to issue a card;

58.2.2 **"application request"** or **"joining request"** – any card credit request and/or request to apply any card credit track pursuant to this document to any debits through the card, which has also been presented to the Bank other than through a voucher, including through ATMs, telephone, facsimile, the website and other communication means determined by the Bank for such purpose and/or through the credit card company and/or in accordance with the individual approval of the Customers in the request to issue a card;

58.2.3 **"application request for overseas vouchers"** – an application request to apply any credit track, pursuant to this document, to overseas vouchers;

58.2.4 **"overall amount"** or **"aggregate debit amount"** – the overall amount of card-related debits payable on any monthly debit date, including in respect of loans and credit, the interest and commission in connection therewith and in respect of amounts of cash withdrawals overseas and purchases overseas (including purchases from businesses domiciled overseas) and the commission and interest thereon, the debit date of which coincides with the monthly debit date;

58.2.5 **interest:**

(1) **"fixed interest"** – fixed interest for the duration of the credit period at such rates as the Bank determines from time to time and in effect on the date of providing the credit. The interest is calculated in respect of the period commencing on the date of the credit's provision, as provided in the company's systems, and ending on the date of its actual payment, on the basis of a 360 day year and a 30 day month (Shpitzer method);

(2) **"periodically alternating fixed interest"** – fixed interest (as provided in sub-clause (1)) for a particular period, as determined by the Bank, at such rates as the Bank determines from time to time and in effect on the date of providing the credit.

At the end of the period and on commencement of a new period, the interest rate shall change by a number of percent identical to that by which the prime interest was changed between the two periods in respect of fixed interest for an additional period and so on and so forth. The number of loan periods shall be determined by the Bank from time to time;

(3) **"monthly alternating fixed interest"** – fixed interest (as provided in sub-clause (1) for a period of one month (the period between consecutive payments), at such rates as the Bank determines from time to time.

At the end of any month and making of the duty payment, the interest rate shall change by a number of percent identical to that by which the prime interest was changed between the previous month and the new month in respect of fixed interest for an additional month, and so on and so forth;

(4) **"prime-based variable interest"** – prime-based variable interest, the rate of which is based on the prime interest rate plus a positive or negative margin, such as Multi interest or 30 Plus interest. A change in the prime interest shall result in a change in each of the aforesaid types of interest by a number of percent identical to that by which the prime interest was changed. The interest in accordance with the number of days that have actually elapsed from the date of the credit's provision divided by 365 or 366, in accordance with the number of days in the year;

(5) **"bridging interest"** – interest in respect of an interim period until the credit's provision on the chosen track.

The bridging interest period commences on the date of arrival of the demand for payment of a voucher and ends on the monthly debit date subsequent thereto. At the end of this period, the amount of the credit shall be provided as credit on the chosen track. The bridging interest is the prime-based variable interest;

(6) **"regular voucher"** – any voucher bearing the card details of the holder of a card that has been issued in respect of a transaction executed in Israel in Israeli currency that is not a voucher in respect of a cash withdrawal or a credit voucher.

58.3 Credit tracks

It is expressed that the Bank may add to and/or alter and/or cancel all or any of the credit tracks, in its discretion.

If not stated otherwise by the Bank, the credit tracks that are added shall be governed by the terms and conditions of this clause.

The amount of the credit, on its chosen credit track, shall bear bridging interest in respect of the period between the arrival of the demand for payment of a voucher and the next monthly debit date and from such date on it the balance of the credit amount shall bear interest in accordance with the chosen track.

58.3.1 **“30 Plus credit”** – and other credit of which the Bank gives notice from time to time, is **credit bearing prime-based variable interest**. The account’s debit in respect of transactions on this track shall be deferred to the monthly debit date falling immediately after the next monthly debit date. On this track, the account shall be debited with the deferred debit amount due from the Customers on this credit track plus interest calculated in accordance with the number of days that has elapsed from the monthly debit date until the next monthly debit date falling immediately thereafter, such being – on the next monthly debit date falling immediately thereafter;

58.3.2 **“Instalment credit”, “Overseas Instalment credit”** and other credit of which the Bank gives notice from time to time is **credit at fixed interest**, at the rate, in the number of instalments and in the amount determined by the Bank from time to time.

In the scope of this track, the card credit in respect of which a card credit request was submitted shall be spread out into instalments including interest. The minimum number of instalments on this credit track is 3 and the maximum number of instalments on this credit track is 18, or any other maximum number of instalments determined by the Bank.

The credit’s payment – on this track, the account shall be debited in respect of the amounts due from the Customers pursuant to the credit track, on the monthly debit dates, with equal and consecutive monthly amounts of principal, interest and commission in a number equal to the number of instalments requested by the Customers, provided that if the number or amount of the instalments is inconsistent with the number and amount prevailing in respect of

Instalment credit, the Bank may determine the number of instalments and the amount of each instalment in a manner that is consistent with the practice at such time and that is consistent, so far as possible, with the number and amount of the instalments requested. The Bank is not liable to give special notice regarding modification of the number of instalments and/or modification of the amount of any instalment, provided that the amount and number of the instalments in respect of the credit shall appear on the periodic statement sent subsequently to the date of its provision or in any other notice sent to the Customers by the Bank, subject to any law;

58.3.3 **“Installment Credit Plus”** – and any other credit of which the Bank gives notice from time to time is **credit at periodic alternating fixed interest**, in the scope of which the credit in respect of which the card credit request was submitted shall be spread out into instalments interest. The minimum number of instalments on this credit track is 3 and the maximum number of instalments on this credit track is 36, or any other maximum number of instalments determined by the Bank.

The track comprises two interest periods: (a) the first period – the first 1-18 instalments; and (b) the second period – the remaining period of the instalments from the 19th payment until the number of instalments requested by the Customers or until the maximum number of instalments, whichever is lower.

The credit’s payment – on this track, the account shall be debited in respect of the amounts due from the Customers pursuant to the credit track, on the monthly debit dates, with equal and consecutive monthly amounts of principal, interest and commission in a number equal to the number of instalments requested by the Customers, subject to the Bank’s right to alter the amount and number thereof, as provided in clause 58.3.2 above and subject to a change in the monthly debit amount from the date of the change, as obliged by a change in the interest as aforesaid on this credit track;

58.3.4 **“Month Off credit”** – and any other credit of which the Bank gives notice from time to time is **credit at periodic alternating fixed interest** in the scope of which all or part of the monthly

debit amount may be spread out into payments including interest plus commission. The minimum number of instalments on this credit track is 3 and the maximum number of instalments is 36, or any other maximum number of instalments determined by the Bank. This credit track has a number of interest periods, in accordance with the number of instalments determined by the Customers: (a) the first period – the first 1-12 instalments; (b) the second period – from the 13th instalment until the 24th instalment; and (c) the third period – the remaining instalments from the 25th instalment until the number of instalments requested by the Customers, or until the maximum number of instalments, whichever is lower.

The credit's payment – on this track, the account shall be debited in respect of the amounts due from the Customers pursuant to the credit track, on the monthly debit dates, with equal and consecutive monthly amounts of principal, interest and commission in a number equal to the number of instalments requested by the Customers, subject to the Bank's right to alter the amount and number thereof, as provided in clause 58.3.2 above and subject to a change in the monthly debit amount from the date of the change, as obliged by a change in the interest as aforesaid on this credit track;

58.3.5 **“Deferment of debits to the monthly debit date” – credit at prime-based variable interest.** On this track, the monthly debit in respect of vouchers will be deferred to the next monthly debit date plus bridging interest calculated in respect of the number of days that have elapsed from the original debit date until the monthly debit date.

58.3.6 **“Fixed monthly debit track”** – and other credit of which the Bank gives notice from time to time, is **prime-based variable interest** in the scope of which the card holder may determine in advance the amount that will be paid by him each month on the periodic debit date (hereinafter referred to as **“the fixed debit amount”**) on account of the overall amount due on such monthly debit date (hereinafter referred to as **“the original debit date”**). The Bank may determine that the fixed debit amount shall not be less than a particular amount, which shall be determined by the Bank from time to time as the minimum debit amount, or

than a certain percentage of the card facility (rounded to the nearest multiple of NIS 10) as the Bank determines from time to time (the two amounts are herein jointly and severally referred to as **“the minimum debit amount”**). Where the Bank has fixed a minimum debit amount as aforesaid, the fixed debit amount shall be the amount fixed by the card holder as aforesaid or the minimum debit amount, whichever is higher.

The Bank may from time to time give notice to the Customers of a different amount and/or of a different way of rounding the amounts.

In the event that the card facility is increased or reduced for any reason, the Bank may (without obligation) give notice of an increase/reduction in the fixed debit amount corresponding with the increase/reduction of the minimum debit amount.

The balance of the overall amount after payment of the fixed debit amount shall be provided as new credit at **prime-based variable interest**, as aforesaid, for a period commencing on the original debit date and ending on the next monthly debit date. On the next monthly debit date, the Customers will again be debited with the fixed debit amount and the balance of the overall amount, as shall be at such time, shall be provided as credit as aforesaid bearing interest as aforesaid and so on, until cancellation of the application request or until cancellation of the card facility and/or cancellation of this track and/or cancellation of the card. Without derogating from the aforesaid, the Bank may notify the Customers that even in the case of cancellation of the application request and/or the card facility and/or the card, the Customers shall continue to be debited as before on the “fixed monthly debit” track, as provided in clause 13.26.6 above.

In any event, the balance of the overall amount after payment of the fixed debit amount shall not be less than the amount notified by the Bank (hereinafter referred to as **“the minimum credit amount”**) and shall not be more than the card's unutilised facility. If it transpires on any monthly debit date that after payment of the fixed debit amount the balance of the overall amount is less than the minimum credit amount (hereinafter referred to as **“the lower amount”**) or more than the card facility greater

(hereinafter referred to as “**the excess**”), the lower amount or the excess, as the case may be, shall be debited to the account on the monthly debit date on which the fixed debit amount is debited.

The Bank shall may from time to time change the addition or separation of the lower amount or the excess to or from the fixed debit amount, and notify the Customers thereof.

58.3.7 “**Express Loan credit**” – and other credit of which the Bank gives notice from time to time, is credit at **monthly alternating fixed interest**, in the scope of which credit may be obtained that will be repaid in a number of instalments of not less than 3 nor more than 60 or any other minimum and/or maximum number of instalments determined by the Bank.

58.3.8 “**Foreign currency/index-linked credit**” – on this track, the aggregate debit amount shall vary in respect of payments of the principal and interest of any index-linked or foreign currency-linked instalment transactions and/or credit on the dates fixed in the request to obtain them plus linkage thereon as provided in clauses 58.9.4 and 58.9.5, as the case may be.

58.4 **Total card credit**

The overall amount of unpaid card credit provided to the Customers by the Bank together with the balance of instalments not yet paid to the various service providers in respect of purchases made by the Customers shall at no time exceed the card facility determined for the Customer as appearing in the periodic statements, unless otherwise determined by the Bank.

58.5 **Manner of submitting a request and application of credit tracks**

58.5.1 **Direct requests to the Bank**

Credit provided to the Customers pursuant to a card credit request submitted to the Bank by the Customers, including through the credit card company, as well as through ATMs and various communication means, as customary at the Bank from time to time, shall be provided to the Customers on the tracks and on the terms and conditions determined from time to time by the Bank in respect of the Customers’ right to receive it, the dates on which it is provided, the minimum and maximum credit amounts, the request’s handling commission and other commission customary from time to time and other terms and conditions determined by the

Bank and/or the credit card company and notified to the Customers. The requests may relate to credit provided to the Customers to the credit of the account regardless of the card’s various uses or to credit for spreading/increasing debits in respect of the card’s various uses, either before or after the debit date.

Where the Customers are credited with the amount that they requested on a date that is not a monthly debit date, a bridging loan will be provided until the next monthly debit date, and from then on the credit will be provided on the track requested by the Customers.

58.5.2 **Requests at the time of executing transactions – without the need for prior joining – credit vouchers**

Credit for the purpose of making purchases in Israel shall be provided pursuant to requests made through credit vouchers at the time of executing transactions with service providers and shall be governed by the terms and conditions prescribed for the various types of credit in accordance with the credit chosen at the time of executing the transaction and noted on the credit voucher (for example: Instalment credit, Instalment Credit Plus or 30 Plus credit). A credit voucher that does not note a specific credit track that is consistent with the credit tracks prevailing at the Bank shall be deemed a request voucher for credit on one of the credit tracks customary as aforesaid and consistent with the request or an ordinary voucher – in the Bank’s exclusive discretion.

58.6 **Manner and date of providing the credit**

58.6.1 The credit shall be provided to the credit of the account or shall be used to pay the counter-value of the voucher, as the case may be. The date of providing the credit shall be the date on which the demand for payment of the voucher arrives. From such date until the next monthly debit date, the credit shall bear bridging interest and thereafter the balance of the credit amount shall bear interest in accordance with the chosen credit track.

58.6.2 Whenever the Bank is presented with a credit voucher bearing details of the card issued to the Customers, and which bears the word “Credit” (hereinafter referred to as “**Credit voucher**”) or “30 Plus” (hereinafter referred to as “**Plus voucher**”) or the

name of a similar track offered by other credit card companies, or the name of any credit track replacing or altering one of the aforesaid tracks, or an overseas voucher, where the Customers have submitted an application request for overseas vouchers – such shall be deemed a request of the Customers to obtain credit from the Bank on the stated track. In respect of vouchers denominated in Israeli currency, credit shall be provided, on the chosen credit track, in the shekel amount denominated on the voucher and in respect of overseas vouchers denominated in foreign currency in the shekel amount required to purchase the amount denominated on the voucher at the customary rate of the credit card company on the date of arrival of the demand for payment of the voucher (hereinafter referred to as “**the credit voucher amount**”).

- 58.6.3 Where the Customers have requested credit on any track (herein referred to as “**the main track**”) and the date of crediting the account with the amount requested by the Customers or overseas voucher debit date falls on a date that is not a monthly debit date, the credit shall be provided with bridging interest from the date of the credit as aforesaid until the next monthly debit date and the date of providing the credit pursuant to the main track shall be the aforesaid monthly debit date.

58.7 **Submitting, altering and cancelling application requests**

Unless stated otherwise, each application request, and each request to cancel or alter an application request, including a change of track and alteration of amounts, must be received by the credit card company up to 5 business days before, and will enter into effect on, the regular debit date. If the notice is late in arriving, its execution will be deferred until the next regular debit date. Without prejudice to the provisions of clause 61 below, the Bank may collect handling fees for each request in accordance with the commission tariff and on the dates prevailing at the Bank or at the credit card company from time to time. The commission tariff shall be available for the Customers’ inspection at the Bank’s branches and on its website.

58.8 **Prepayment of the card credit**

The Customers may prepay the entire unpaid balance of any type of credit or part thereof or cancel an application request for a fixed monthly debit track and automatic spreading of the monthly debit track on the

monthly debit date subsequent to receipt of the Customers’ instruction by the Bank, provided that such instruction is received by the credit card company 5 business days prior to such date.

The Customers’ right to make prepayment is subject to payment of prepayment commission and other terms and conditions customary at the Bank at the time of making any prepayment as aforesaid. If on the date of making the prepayment there is any legal provision (including Bank of Israel’s Directives) limiting the amount of the prepayment commission that the Bank may demand, or stipulating other terms and conditions for prepayment – the prepayment shall be made subject to the provisions of such law, and the Bank may make the prepayment conditional upon payment of the highest rate/s and/or amount/s of prepayment commission permitted by law at the time of making the prepayment, for such type of credit.

In any other case, the Bank may make the prepayment subject to payment of prepayment commission and other payments and other conditions precedent that in the Bank’s discretion reasonably express the damage that will be occasioned to it as a result of prepayment at such time.

It is agreed that section 13(b) of the Pledges Law, 5727-1967 and any other section replacing it shall not apply to prepayment.

58.9 **General provisions for credit tracks**

58.9.1 **Provision/non-provision of credit**

The Bank is not obliged to agree to a credit request and/or request to join any track, and may call for the credit’s immediate payment in the cases detailed in clause 13.26 above.

Without derogating from the generality of the aforesaid, where the credit is requested through a credit voucher, the Bank may, without obligation, decline to provide the credit also in the following cases:

- (1) the amount of the credit requested, or amount of the credit requested together with the balance of the credit that the customers have already received through the card, from the Bank or from others, exceeds the card facility;
- (2) the amount of the credit requested is lower or higher than the minimum or maximum credit amounts, as the case may be, determined by the Bank, or the number of instalments differs from the number of instalments determined in relation the credit track by the Bank and in its exclusive discretion;

- (3) the credit request was submitted to the Bank after the Bank notified the Customers or all the card holders or certain groups or classes of card holders that the card facility has been cancelled or that the credit track of the type requested has been cancelled, or that the Customers' right to use the card has been cancelled;
- (4) the credit voucher has been effected with a service provider who is not authorised to accept credit vouchers;
- (5) in any one of the cases detailed in clause 13.26 above.

If the Bank refuses to provide the Customers with credit requested through a credit voucher as aforesaid, it may, without obligation, provide it as credit for a period commencing on the monthly debit date and ending on the next monthly debit date. The interest rate for credit as aforesaid shall be variable interest at the prime rate as shall be at such time.

58.9.2 Calculation of the amounts by the credit card company

So long as the Bank has not decided otherwise, the amounts falling due to the Bank from the Customers from time to time in respect of the credit and the interest thereon shall be calculated through the credit card company, and the Customers undertake to notify the credit card company without delay of any objection or reservation that they have, if at all, in connection with any debit notice and/or account statement and/or other document that the Customers receive from the credit card company in connection with the credit. A copy of the said objection or reservation shall be sent to the Bank, for its information.

58.9.3 Payment not conditional on the asset's supply and/or quality

Without derogating from the provisions of clause 56.6 above, it is expressed that the Bank shall not bear any liability in connection with the supply, quantity, quality or standard of any assets ordered and purchased by the Customers with the card. The Customers are and shall be liable for payment of all the instalments in respect of the credit, in full and on time, regardless and independently of the asset's purchase transaction. The aforesaid is with regard to the debit, subject to the provisions of section 10 of the Law.

58.9.4 Special conditions governing index-linked credit or transactions

In the event that the Customers executed an index-linked transaction or are provided with index-linked credit (hereinafter referred to as "**index-linked credit**"), all the relevant terms and conditions of this clause 58, as well as the terms and conditions agreed at the time of the request and the following terms and conditions, shall apply:

"index" – the price index known as the "Consumer Price Index" (Cost of Living Index), including fruit and vegetables, which is published by the Central Bureau of Statistics, including such index even if published by another official institution or entity, and including any official index replacing it, whether built on the same data as the existing index or not. If it is replaced by another index published by an institution or entity as aforesaid and such institution or entity has not determined the ratio between it and the replaced index, the ratio shall be determined by the Central Bureau of Statistics, and if not determined as aforesaid, it shall be determined by the Bank in consultation with economic experts chosen by it;

"the new index" – the index last published prior to the date on which any instalment fell due in the case of an index-linked transaction or payment of the relevant principal or interest in the case of credit, if payment of the principal or interest should fall on the 15th of a month that is not a business day, and payment is therefore deferred, the new index shall be the index published in respect of the previous month;

"the base index" – the index last published prior to execution of the transaction or provision of the credit or any part thereof, in respect of such part of the credit:

- (1) payments of the principal and interest of any index-linked credit and/or index-linked transaction executed by the Customers shall be made by the Customers together with index-linkage – if on the payment date of any instalment of a transaction, or principal or interest, it transpires that the new index has changed compared to the base index, the account shall be debited with such payment increased/decreased pro rata to the rise/fall of the new index compared to the base index. If the new index is equal to the base index, the account shall be debited with such payment as

it would have been payable by the Customers were it not for the provisions of this clause;

- (2) in addition to the provisions of sub-clause (1), if the Customers default in making any payment on account of the transaction, or principal or interest, they shall make such payment increased/decreased pro rata to the rise/fall in the new index compared to the base index. The provisions of this sub-clause do not derogate from any other provision in this document concerning payment defaults.

58.9.5 Notwithstanding the definition of “the new index” in clause 58.9.4 above, if no index is published in respect of any month/s (hereinafter referred to as “**the missing index**”) and after the date on which it should have been published any payment on account of a transaction, or of any principal or interest, falls due, the account shall be debited with such payment increased/decreased temporarily on the basis of the index last published prior to such date.

If it transpires that the missing index published after the payment date as aforesaid has risen compared to the index serving as a temporary basis for such payment, the Customers shall be paid, on the next date for payment of any principal or interest, or at the Bank’s election – at the end of 14 days from the date of publication of the missing index, the differences in their value on the original payment date.

If it transpires that the missing index published after the payment date as aforesaid has fallen compared to the index serving as a temporary basis for such payment, the Customers shall pay, on the next date for payment of any principal or interest, or at the Bank’s election – at the end of 14 (fourteen) days from the date of publication of the missing index, the payment due from them on such date less the differences as aforesaid in their nominal value on the original payment date.

58.9.6 In this form, the expression “**linkage**” or “**Index-linkage**” means the amounts which will become due to the Bank according to the linkage terms set out in this clause in excess of/below the principal or interest amounts due or becoming due to the Bank in respect of any credit/transaction.

58.9.7 **Special terms and conditions applicable to foreign currency linked credit or transactions**

In the event that the Customers execute a foreign currency linked transaction or in the event that they are provided with foreign currency linked credit (hereinafter jointly and severally referred to as “**the foreign currency linked credit**”), all the relevant terms and conditions detailed in this clause 58 shall apply, as well as the terms and conditions agreed at the time of the request and the following terms and conditions:

payments of the principal and interest of any foreign currency linked credit shall be made by the Customers or the transaction shall be paid for by the Customers in Israeli currency together with foreign currency linkage, as explained below:

“**the foreign currency rate**” – the representative rate of the relevant foreign currency published from time to time by Bank of Israel. In the event that Bank of Israel does not publish the said rate, temporarily or permanently, it shall be replaced by the foreign currency rate (transfers and cheques) in consideration for Israeli currency], prevailing at the Bank at the relevant time;

“**the new foreign currency rate**” means the foreign currency rate published in respect of the date of actual payment of an instalment in the case of a foreign currency linked transaction or of an amount on account of the relevant interest or principal;

“**the base foreign currency rate**” means the foreign currency rate published in respect of the day on which the credit is provided or the day on which the transaction is executed:

- (1) payments on account of the principal and interest of any foreign currency linked credit shall be made by the Customers together with the foreign currency linkage, in accordance with one of the following two options:

- (a) if on the date any payment on account of the foreign currency linked credit falls due it transpires that the new foreign currency rate has changed compared to the base foreign currency rate, the account shall be debited with such payment increased/decreased pro rata to the change in the new foreign currency rate compared to the base foreign currency rate. However, if the new foreign currency rate is equal to

the base foreign currency rate, the account shall be debited with such payment that the Customers would have been liable to pay were it not for the provisions of this clause;

(b) in addition to the provisions of sub-clause (1) above, if the Customers default in making any payment on account of the foreign currency linked credit, they shall make such payment increased pro rata to the rise in the new foreign currency rate compared to the base foreign currency rate or to the rise in the foreign currency rate last published prior to the date of actual payment compared to the base foreign currency rate, whichever is higher. The provisions of this sub-clause do not derogate from any other provision of this document concerning payment defaults.

58.10 Alteration and revision of the credit tracks and the interest

58.10.1 The Bank may determine different interest (including different margins to the prime interest) in accordance with the type of card or other data pertaining to the Customers. The periodic statements include the aforesaid interest rates revised to the date of sending them; however, if in the period of time between the periodic statements the Bank gives notice of a change in the prime interest, from such date the aforesaid interest rates shall change by a number of percent identical to that by which the prime interest was changed.

58.10.2 Without derogating from the aforesaid, the Bank may change the aforesaid interest rates also regardless of any change in the prime interest, on notice in accordance with the provisions of any law (including notice in the periodic statements). The change shall apply in respect of the credit provided after the notice of the change.

58.10.3 The Bank's notice of a change in the prime interest, even if it does not expressly refer to card holders, shall be deemed notice of a change in each of the types of interest that vary on the basis of the prime, by a number of percent identical to that by which the prime interest was changed.

58A. "Multi" card

58A.1 In the event that the Customers request to be issued with a credit card on which the word "Multi" appears (hereinafter referred to as "**Multi card**"), and the Bank agrees to their request, subject to the terms and conditions of

the request for the card and the terms and conditions of this document, the Multi card shall be governed by the terms and conditions of this clause below and of the aforesaid request, in addition to all the other terms and conditions of this document, unless stated otherwise.

58A.2 From the credit tracks detailed in clause 58 above, only the following shall apply to a Multi card: 30 Plus credit", "Instalment credit" and any other track of which the Bank gives notice from time to time.

58A.3 Definitions

"the overall amount" or "aggregate debit amount" – the total card debits payable on any monthly debit date, including in respect of loans and credit, and the interest and commission thereon, and in respect of cash withdrawals overseas and purchases overseas, and the commission and interest thereon, the debit date of which falls on the monthly debit date;

"the monthly debit date" – as defined in clause 56.9.3 above;

"the fixed monthly debit amount" – the amount determined in advance by the Customers as the amount that will be paid each month on the monthly debit date (as defined in clause 56.9.3 above) by debiting the account, on account of the overall amount due on such monthly debit date (hereinafter referred to as **"the original debit date"**).

The Bank may from time to time give the Customers notice of any change in the fixed monthly debit amount, provided that the new amount fulfills the terms and conditions detailed above and below and does not exceed the amount of the card facility.

The notice must be received by the credit card company up to 5 business day prior to the monthly debit date and shall take effect on such monthly debit date. If the notice is late, its execution may be deferred to the next monthly debit date.

The Bank may determine that the fixed monthly debit amount shall be not less than a certain amount fixed by the Bank from time to time as the minimum debit amount – or – than a certain percentage of the amount of the card facility (rounded to the nearest multiple of NIS 10) as determined by the Bank from time to time – whichever is higher (the higher of the two amounts detailed above is hereinafter referred to as **"the minimum debit amount"**). It is expressed that the Bank may determine a minimum monthly debit amount having regard to the card holder's data, in the Bank's exclusive discretion. Where the Bank has determined a minimum debit amount as aforesaid, the fixed monthly debit amount shall be the amount determined by the

Customers as aforesaid or the minimum debit amount – whichever is higher.

The Bank may notify the Customers from time to time of a different amount and/or different method of rounding out amounts.

In the event that the card facility is increased for any reason, the minimum debit amount fixed as a certain percentage of the amount of the card facility shall be increased accordingly, such that if the fixed monthly debit amount determined by the Customers is lower than the new minimum debit amount as aforesaid, the fixed monthly debit amount shall be the same as the new minimum debit amount as aforesaid.

In addition, it is expressed that if the card facility is increased for any reason, if the fixed monthly debit amount is the same as the card facility prior to its increase, the Bank may (without having to give notice thereof) increase the fixed monthly debit amount such that it will be the same as the card facility after its increase.

In the event that the card facility is reduced for any reason, and the fixed monthly debit amount is higher than the new card facility, the Bank may reduce the fixed monthly debit amount so that it is the same as the new card facility.

“Multi interest” – prime-based variable interest as defined in clause 58.2.5 above.

58A.4 Each month, on the monthly debit date, the Bank shall debit the account with the fixed monthly debit amount. The balance of the overall amount after payment of the fixed monthly debit amount on such monthly debit date (hereinafter referred to as **“the original debit date”**) shall be provided as new credit (hereinafter referred to as **“Multi credit”**) at Multi interest, for a period commencing on the original debit date and ending on the next monthly debit date. On the monthly debit date subsequent thereto, the Customers will again be debited with the fixed monthly debit amount and the balance of the overall amount on such date shall be provided as Multi credit as aforesaid at Multi interest and so on and so forth, until cancellation of the card facility and/or the card. The Bank may notify the Customers that even in the event of cancellation of the card facility and/or the card, the Customers shall continue to be debited as before in respect of the Multi card, as provided in clause 6.19 above.

The Multi credit amount shall be included in the card facility and the Customers undertake not to exceed it.

Nonetheless, if it transpires on any monthly debit date that after payment of the fixed monthly debit amount a Multi credit amount remains that exceeds the card facility

(hereinafter referred to as **“the excess amount”**), the excess amount shall also be debited to the account on the monthly debit date, on which the fixed monthly debit amount is debited.

The Bank may from time to time alter the addition or separation of the excess amount to or from the fixed monthly debit amount and shall give notice thereof to the Customers.

58A.5 Cancelled.

58A.6 In the event of a debit in respect of an overseas voucher, the account shall be debited with the Israeli currency counter-value of the amount denominated on such voucher, in accordance with the credit card company's customary rate, on the date of arrival of the demand for the voucher's payment or on the monthly debit date in accordance with the type of card and the credit card company's terms and conditions. The debiting of a foreign currency account in accordance with the provisions of clause 56.10.1 above shall be done from the date on which the Bank allows this and in accordance with the Customers' request.

58A.7 **Multi loan**

The holder of a Multi card may ask the Bank to provide him with a Multi loan. A Multi loan constitutes part of the card facility and shall not exceed the amount of the unutilised facility or a certain percentage (as determined by the Bank from time to time) of the amount of the unutilised facility.

The amount of the Multi loan plus interest is included in the aggregate debit amount and the account shall be debited on the monthly debit date with the fixed monthly debit amount.

A Multi loan shall bear Multi interest for the period from the date of the loan's provision until the date of its repayment.

59. **Theft or loss or misuse of a card**

In the event of the card's theft, loss or misuse by someone else who is not entitled thereto (each hereinafter referred to as **“the loss”**), the following provisions shall apply:

59.1 **Notice**

The Customers shall give notice of the loss immediately after learning thereof, orally or telephonically or in writing or in one of the other ways prescribed in the Law or in any other way of which the Bank notifies the Customers from time to time (hereinafter referred to as **“the notice”**), to the branch of the Bank and/or the credit card company, or in the event of loss outside Israel – to one of the Bank's branches overseas or any bank overseas that honours credit cards of such type. Where notice is given in any of the ways

detailed above, the Customers shall also give notice thereof in writing to the credit card company or any one of the Bank's branches within a reasonable time. In the notice the Customers shall give the necessary details of the circumstances of the loss or theft and details of the damage occasioned to the Customers and they shall take all reasonable steps to assist in the card's recovery.

59.2 Limit on liability for misuse

After notice as aforesaid has been given, the Customers shall not bear any liability, subject to the provisions of the Law and clause 59.5 below, for misuse of the credit card or ATM card after the notice was given.

59.3 The the Bank may debit the account in respect of use made of a credit card and/or ATM card in the period between the time when the Customers or holder of the credit/ATM card learned of the loss and the time when the notice was given, with the lower of the following two amounts:

59.3.1 a fixed amount of NIS 75 plus NIS 30 for each day that has elapsed between the time when the Customers or card holder learned of the loss and the time when the notice was given; notwithstanding the aforesaid, if the notice was given within 30 days of the day on which the card was first misused, the debit amount shall not exceed NIS 450 or any other amount prescribed by the Law;

59.3.2 the amount of the transactions or withdrawals actually executed or made.

59.4 The amounts specified above in clause 59.3 have been fixed in accordance with the Law and if they are altered by an order of the Minister of Justice, which is published in the Official Gazette, the change shall also apply in respect of paragraph 59.3 above, without the need for prior notice.

59.5 The limitation on liability specified above shall not apply and the Bank shall debit the account in respect of any use made of the card, before or after the notice's receipt, in each of the following cases:

59.5.1 the Card was delivered by the Customers or by the cardholder to another person, save for delivery in reasonable circumstances for safe-keeping purposes only; however, the Customers shall not be liable for any misuse after a card delivered to another person is lost by or stolen from him; in such regard, and without derogating from any other circumstances that will be deemed unreasonable, the delivery of the card together with the PIN shall

not be deemed delivery in reasonable circumstances.

The Bank may determine that a breach of instructions given to the Customers in advance regarding prohibited use of the card or the number impressed thereon in certain circumstances shall be deemed delivery of the card to another person otherwise than in reasonable circumstances;

59.5.2 the card was used with the knowledge of the Customers or with the knowledge of the card holder;

59.5.3 the Customers or the card holder acted with intent to defraud.

59.6 The Bank may demand that the Customers give notice of the loss to the Police and provide it with such additional details as it deems fit.

59.7 All the above provisions of this clause shall be subject to the provisions of the Law and any change occurring therein, if any.

60. **Waiver of confidentiality and protection of privacy**

60.1 The Customers acknowledge that for the purpose of opening and operating the account, they are required to furnish the Bank, from time to time, with personal identification details and additional details, some of which are required by law and the furnishing of others to the Bank is subject to the Customers' will and consent; that the details and data furnished by the Customers to the Bank are required by the Bank for the purpose of making a decision on the card's issue and renewal, from time to time (or its cancellation) and/or services relating to the card, including determination of the card facility and the terms and conditions thereof; and that all or some of the details and data furnished to the Bank shall be kept in databases, including, *inter alia*, automated databases at the Bank or other entities on the Bank's behalf.

60.2 The Customers agree that the Bank may at any time give the credit card company, on its request, and the credit card company may at any time give the Bank, on its request, any information pertaining to the aforesaid account, as well as any other information about the Customers reaching the Bank or the credit card company.

60.3 The Bank shall be entitled to apply to any entity with information about the Customers for information about any card issued to the Customers in the past, or any other detail that in the Bank's opinion is relevant for making a decision as to the issue of the card and the terms and conditions of its

issue, and the Customers confirm that any such entity may deliver the information to the Bank. In addition, the Customers agree that the Bank may provide information about them to any entity to whom the Customers authorise the Bank in advance in writing to deliver such information.

60.4 The Customers acknowledge that the information provided by them to the Bank and information about the transactions executed with the card shall, insofar as necessary for the purposes of this document, be passed on to other credit card companies and other entities which provide services in connection with debit cards, insofar as necessary for the purposes of this document, including the card's operation, the clearing of transactions and/or debits made through it.

60.5 Cancelled

60.6 The Customers acknowledge and agree that the information provided by them to the Bank and/or information about the transactions executed with the card and/or information received on and in consequence of the card's use shall be used to offer the Customers various products or services in which they might be interested, from time to time, subject to the Customers' rights pursuant to any law. The Customers authorise the Bank to use the information for direct mailing and marketing purposes, including by mail and/or e-mail and/or facsimile and/or IVR and/or SMS and/or any other communication means, and including after breaking down and characterising the use habits in respect of the card, subject to the Customers' rights pursuant to the Protection of Privacy Law, 5741-1981. The Customers acknowledge that if they are not interested in receiving notices and advertisements as aforesaid through one or more of the above-mentioned means, they may give notice thereof to the credit card company at any time.

The Customers acknowledge that their decision regarding the receipt of direct mail and/or mail by electronic means, in relation to a particular card, shall apply to mail as aforesaid also in connection with the rest of the cards in the same account, unless the Customers request separation of the mail in respect of these cards.

61. **Commission, expenses and other debits**

61.1 The Bank may debit the Israeli currency account with commission of any type in connection with a card, including in connection with transactions and services relating to the card, at the Bank's prevailing tariff from time to time and at such times and on such terms and conditions as prevailing at the Bank from time to time. The Bank may defer the date for collecting the commission or part thereof and deferment as aforesaid shall

not constitute a waiver of its right to collect same. The commission tariff shall be available for the Customers' inspection at the Bank's branches. Commission paid to the credit card company shall be at the credit card company's tariff and shall be paid and debited to the account together with due VAT.

61.2 Without derogating from the generality of clause 61.1 above, the Bank may collect commission for the period commencing on such date as determined in the commission tariff, which may be before the card's delivery or thereafter, and in respect of any date or period after the cancellation and/or blocking of the card, in respect of a transaction or transactions that the Bank is required to execute, in respect of payments originating in transactions executed prior to the cancellation and/or blocking of the card or for any other reason.

61.3 In the event that the Bank issues a new card to the Customers instead of a card that has been lost, stolen or destroyed – it may debit the account in Israeli currency with commission in respect of the new card's issue, unless the loss, theft or destruction was the Bank's fault.

61.4 The Bank may debit the account with any tax, levy or other compulsory payment of any type payable in consequence of the card's use.

61.5 The account shall also be debited in respect of transactions executed by the Bank to enforce its rights pursuant hereto and/or as a result of its involvement in legal proceedings relating to the card, including by reason of orders or decisions of courts that are given in connection with the card, and including in respect of collection expenses occasioned to the Bank in consequence of a breach of the Customers' obligations to the Bank, reasonable legal expenses, expenses in respect of requests for approval to execute transactions (through a credit card) and expenses deriving from the sending of notices, telexes, telephone conversations, facsimiles and e-mail.

62. **Benefits**

62.1 The Bank may implement arrangements pursuant to this document, in relation to the joining of customers to various benefits plans, insofar as existing at the Bank (for example, a "points" plan, discounts at businesses, overseas travel insurance, loyalty clubs and the like). The Bank may determine in respect of what types of card benefits may be obtained as aforesaid and in accordance with what criteria, in its exclusive discretion, and insofar as the Bank makes an offer to the Customers to join any plan, it shall send them notice thereof. The Bank shall from time to time publish the plan arrangements

determined by it. The Bank may cease the validity of any benefits plan (unless the benefit has been determined for a defined period of time) or alter it in any way, in relation to all the Customers or in relation to certain customers, in its exclusive discretion and without the need for prior notice (subject to any law).

62.2 Insofar as the card also serves as a loyalty club card, the customers may cancel their club membership at any time and for any reason, on written notice to the Bank and the club. The Bank and/or the club may cancel the club membership of any of the Customers, in their discretion, at any time and for any reason, including in the event that the Customers' eligibility to be members of the club has expired and/or in the event that the agreement between the Bank and the club is terminated. In such cases, the Customers shall be given written notice and the card shall continue to serve as a debit card only, in this document (without attribution to any club and without entitlement to benefits in the framework of the club).

62.3 If the Bank from time to time grants the Customers approval to effect a purchase in consideration for points or to obtain benefits on various terms and conditions or benefits in general, as provided in the rules published by the credit card company (hereinafter referred to as **"the rules"**) and in various publications on its behalf, and it transpires that as at such date as is determined the Customers have not fulfilled the necessary conditions or have not had sufficient points (hereinafter referred to as **"the missing points"**), the account shall be debited with the consideration for the missing points, on such dates and on the basis of the calculation detailed from time to time in the rules, as revised from time to time. In addition, in the event that the Customers do not fulfill the conditions for the benefits, they undertake to pay the Bank the consideration for such benefits, on such dates and on the basis of the calculation detailed from time to time in the rules as revised from time to time and authorise the Bank to debit the account with such amounts.

63. Any right vested in the Bank pursuant to this document shall be deemed vested in the Bank and in the credit card company jointly and in each of them severally, and any reference to the Bank in this document shall be deemed reference to both of them jointly and to each of them severally.

64. Publication of notices

The Bank may publish notices in connection with the provisions of this document in newspapers and/or in the periodic statements and/or in leaflets, rules and/or other publication means.

In the event that the Customers form part of a group in respect of which there is a special arrangement, the Bank may send notices pursuant hereto to the group's representative and notice as aforesaid shall be deemed to have been delivered to the Customers.

65. The credit card company

The credit card company issues and operates the card plan on the Bank's behalf and that various cards are issued and operated by various credit card companies, at the Bank's election. The identity of the credit card company which issues and operates the card requested by the Customers shall be furnished to the Customers on the date of the request and no later than the date of the card's delivery. The Bank may, from time to time, transfer the operation from one credit card company to another and even cease its contractual relationship with the credit card company and operate the card plan itself, provided that it sends the Customers prior written notice thereof.

66. Periodic statements

66.1 The Bank shall send or deliver to the Customers, at least once a month, in any way or through an ATM, including by e-mail or the Bank's website or any other means permitted by law, notice detailing the transactions executed with the credit card in respect of which the account was debited (hereinabove and hereinafter referred to as **"the periodic statements"**). In the event that the Customers request, in writing and in advance, that the Bank send them notice detailing transactions executed with services providers overseas, they shall be entitled to receive notice as aforesaid in one of the ways offered to them by the Bank, by the end of 17 days from the date of the debit in respect of the aforesaid transactions. Without prejudice to the generality of the provisions of clause 61 above, the Bank may debit the account with commission in respect of this service as customary at the Bank from time to time. Any notice as aforesaid that is delivered to the Customers by ATM or otherwise, as aforesaid, shall be deemed to have been delivered to them by the Bank.

66.2 The Bank's records, a copy of these records or of an excerpt therefrom or from the last page of the aforesaid records shall constitute admissible evidence for the purpose of proving the authenticity of their contents.

As witness the hand of the Customers:

Date	Name	Signature	Official's face to face confirmation of customer's identity
			Official's name Signature
			Official's name Signature
			Official's name Signature
			Official's name Signature
			Official's name Signature