

**Translation of Immediate Report**

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

Registration No. 520018078  
Securities of the Corporation are listed on The Tel Aviv Stock Exchange  
Abbreviated Name: Leumi  
34 Yehuda Halevi Street, Tel Aviv 651316  
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19 November 2015  
Reference: 2015-01-158532

To: Israel Securities Authority ([www.isa.gov.il](http://www.isa.gov.il))  
The Tel Aviv Stock Exchange ([www.tase.co.il](http://www.tase.co.il))

**Immediate Report**

Nature of Event: Compliance and Enforcement System

See the attached annex [Compliance and Enforcement System 2015 11 18 isa.pdf](#)

Date and time at which the corporation first became aware of the matter being the subject of the report: 18 November 2015 Time: 15:00.

**Note: English translations of Immediate Reports of Bank Leumi are for convenience purposes only. In the case of any discrepancy between the English translation and the Hebrew original, the Hebrew will prevail.**

**The original Hebrew version is available on the distribution website of the Israel Securities Authority: <http://www.magna.isa.gov.il/>**

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Name of Electronic Reporter: David Raoul Sackstein, Position: Advocate, General Secretary  
Yehuda Halevi Street 34, Tel Aviv 6513616, Phone: 076-8857984, Facsimile: 076-8859732  
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19 November 2015

To

Tel Aviv Stock Exchange  
Ahuzat Bayit Street 2  
Tel Aviv 6525216

To

Israel Securities Authority  
Kanfei Nesharim Street 22  
Jerusalem 95464

Dear Sir or Madam:

Re: **Compliance and Enforcement System**

Bank Leumi Le-Israel Ltd. (“the **Bank**”) is pleased to report that on 18 November 2015 the Bank's Board of Directors approved an organizational change, in which the compliance and enforcement system, which operated within the Risk Management Division, will be made subject to the Legal Department.

As described in the organizational structure of the Directors' Report (at page 248) which is included in the Bank's Periodic Report, dated 31 December 2014, and published on 31 March 2015 (Reference No.: 2015-01-070033), the compliance and enforcement system operates in coordination with the Bank's Legal Department. In light of all the frequent regulatory and the legal complexity of these changes, the Board of Directors decided that making the compliance and enforcement system subject to the Legal Department would make centralized management possible as well as a generalized overview of all the legal and regulatory risks - in a manner which would allow for the best possible management of this area, while possibly saving a certain amount of costs that are the result of the current division of the handling of these matters.

Very sincerely,

Hila Eran-Zik, Head of Risk Management Division

Hanan Friedman, Legal Adviser