

Translation of Immediate Report

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Public

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
Phone: 076-8858111, 076-889419; Facsimile: 076-8859732
Electronic Mail: Livnat.EinShay@bll.co.il

24 July 2018
Reference: 2018-01-067488

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

Immediate Report

Nature of Event: Motion for Approval of a Class Action Lawsuit - Leumi Card

See attached Annex – [24718 isa.pdf](#).

The company is not an envelope company as defined in the Stock Exchange bylaws.

Date and time at which the corporation first became aware of the matter being the subject of the report: 24 July 2018 Time: 10:18.

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>

Name of Electronic Reporter: David Raoul Sackstein, Position: Advocate, General Secretary
34 Yehuda Halevi Street, Tel Aviv 6513616, Phone: 076-8857984, Facsimile: 076-8859732
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24 July 2018

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: **Labor Dispute – Leumi Card**

Bank Leumi Le-Israel B.M. (hereafter: "the **Bank**") is pleased to announce the following:

1. On 23 July 2018, the Bank was informed of a motion for the approval of a class action lawsuit that was filed in the Tel Aviv District Court against Leumi Card Ltd., the Bank's subsidiary, and against two additional credit card companies. The motion has not yet been delivered to Leumi Card Ltd.
2. The lawsuit deals with credit card transactions executed by members of the class as non-document transactions (primarily telephone transactions) at businesses engaged in "direct marketing". The motion for approval alleges that these businesses exploited the weakness of the elderly population and unlawfully charged their credit cards for many transactions and also charged them for additional charges that they had not approved. The petitioner alleges that the credit card companies entered into clearing agreements with the "direct marketing" companies, and in this way enabled their operations.
3. The petitioner alleges that the amount of the damage incurred by all the members of the class that he purports to represent is some NIS 900 million.

Very sincerely,

Bank Leumi Le-Israel B.M.

By: Attorney Irit Roth
Legal Adviser