

ENROLLMENT TERMS FOR DEBIT CARD

Branch number _____ Customer number _____

Name of Customer/s	ID / Registration / Passport no.
1.	
2.	
3.	
4.	
5.	

To

Bank Leumi le-Israel B.M.

INTRODUCTION

The Customers whose details are listed above, are asking Bank Leumi le-Israel B.M. to issue for them a card, as defined hereinafter, the use of which is to be conducted pursuant to all the terms detailed hereinafter in this document, as well as pursuant to the additional terms detailed in the request to issue a Debit Card (and the appendices thereto), which was signed and/or shall be signed by the Customers (hereinafter: "**the request**").

The terms detailed hereinafter in this document, as well as the additional terms detailed in the request, as shall be updated from time to time by the Customers, together constitute one inseparable document and shall hereinafter be collectively referred to as – "**the enrollment terms**" or "**this document**".

ENROLLMENT TERMS FOR DEBIT CARD

(Credit Card, ATM Card, Immediate Debit Card, Prepaid Card)

PART I - DEFINITIONS

1. DEFINITIONS

- 1.1 **"The International Organizations"**: Visa International organization and/or MasterCard Group organization and/or Union Pay International and/or Diner's Club International and/or any credit card organization the cards of which are to be issued by the Bank and notice of the same delivered to the Customer pursuant to any law.
- 1.2 **"Bank Leumi" or "the Bank"**: Bank Leumi le-Israel B.M.
- 1.3 **"Law"**: As defined in the Interpretation Law, 5741-1981, as well as any law, regulation, order, instruction, demand or request of a sovereign body, including instructions, directives and permits of the Bank of Israel, as applicable and in force from time to time.
- 1.4 **"Demand for Payment of a Voucher"**: Means, for the purpose of this document, the delivery of a Voucher for collection through the Bank or the Credit Card Company, or the delivery of a Voucher for collection in such other manner as agreed between the Bank or the Credit Card Company and the service provider or other Credit Card Companies, including by means of any electronic transfer which shall be treated as a demand from the Bank to pay said Voucher.
- 1.5 **"Standing Orders"**: Instructions or authorizations through a Credit Card to make payments on an ongoing basis in favor of a Service Provider, as reported by the Service Provider.
- 1.6 **"Payment Order"**: An instruction of the Cardholder to the Bank and/or to the Credit Card Company, either personally or through a Service Provider, to execute a payment transaction through the Card.
- 1.7 **"The Law"**: The Payment Services Law, 5779-2019, as may be amended from time to time, including regulations that have and shall be promulgated thereunder.
- 1.8 **"The Account"**: The Account/s numbered as written in the heading of this document, or any other account replacing said Account, including in the event that for any reason the number of the Account is changed, as well as any other account that the Customers have requested to debit in respect of the Card.
- 1.9 **"The Card"**: A plate or other object and any other medium defined by the Bank as a Card for repeated use designed, *inter alia*, for making purchases or for withdrawing funds – by way of debiting the Account, as well as a replacement card and/or additional card that the Bank shall agree to issue to the Customer and/or to his authorized representative from time to time. This term shall include a Credit Card and an ATM Card, an Immediate Debit Card and a Prepaid Card, as defined hereinafter.
- 1.10 **"The Customer" or "the Customers"**: Any one of the Account Holders and/or the Authorized Representative, as applicable.
- 1.11 **"Stated Amount of a Voucher"**: Any amount in Israeli currency or in a Primary Debit Currency as denominated on any Voucher, as the case may be, or – if an amount in a different foreign currency is denominated on the Voucher – the value of the aforementioned amount in the Primary Debit Currency at the rate at which the Bank has been debited by the Credit Card Company, plus a conversion commission.
- 1.12 **"The Customary Rate of the Credit Card Company"**: The rate at which Bank Leumi has been debited by the Credit Card Company in respect of the conversion of a Primary Debit Currency to Shekels or the rate according to which the conversion of any foreign currency to the Primary Debit Currency has been calculated by the Credit Card Company and determined by the Credit

Card Company in accordance with the customary international arrangements relating to the relevant Debit Card, and subject to any law. This rate may also include a conversion commission; however a conversion commission may also be collected separately.

- 1.13 **"Credit Card Company"**: The Credit Card Company operating to manage the issuance of the Debit Card as specified in the request or in the notices that shall be sent to the Customers in relation to the Debit Card and/or anyone on its behalf and/or any of the substitutes thereof, including as set forth in clause 2.2 of this document.
- 1.14 **"Business Day"**: Every day, except Saturday, national holidays, the two days of Rosh Hashanah, the eve of Yom Kippur and Yom Kippur, the first and the eighth day of Sukkot, Purim, the first and seventh days of Passover, Independence Day, Shavuot, the Ninth Day of Av, and any day prescribed by the Supervisor of Banks as a day which is not a banking Business Day.
- 1.15 **"Credit Card"**: A Card or other payment method designed for purchasing assets and services without immediate payment of the consideration, receiving credits and executing transactions that the Bank and the Credit Card Company shall allow from time to time. This term shall also include a Credit Card that comprises features of an ATM Card.
- 1.16 **"ATM Card"**: A Card or other payment method allowing the execution of various transactions through ATM Machines and other similar machines (operated by the Bank and/or other operators) as the Bank shall allow from time to time, including the withdrawal of funds and receiving information with respect to accounts at the Bank.
- 1.17 **"Immediate Debit Card"**: A Card or other payment method designed for purchasing assets and services and executing transactions that the Bank shall allow from time to time. The Debit Date in respect of purchases made through said card is in proximity to the date of the transaction as detailed in clause 13.1 below. This term shall also include an Immediate Debit Card that comprises features of an ATM Card.
- 1.18 **"The Authorized Representative"**: Whoever holds the Card at the request of the Customers, the details of whom are imprinted on such Card.
- 1.19 **"Cardholder" or "Holder"**: Any one of the Account Holders to whom the Card has been issued or the Authorized Representative on their behalf.
- 1.20 **"Primary Debit Currency"** (in foreign currency transactions): Any currency that shall be prescribed by the Bank from time to time, including U.S. Dollar or Euro.
- 1.21 **"Service Provider"**: Businesses, various banks, including the Bank, and Service Providers that customarily provide Cardholders with assets, as defined below –either in Israel or abroad.
- 1.22 **"Asset"**: Real estate, chattels, money (subject to the provisions of clause 2.1 below), services, rights and any additional item that shall be included in the definition of this term in the Law.
- 1.23 **"Payment transaction"**: The transfer of funds from the Customers' Account to the account of a Service Provider, including through a clearing company that has entered into a clearing agreement with the Service Provider, or the withdrawal of cash from the Customers' Account.
- 1.24 **"Corrective Interest"**: Interest at a rate to be prescribed by the Bank for the purpose of debiting or crediting the Account in the event of a mistake or other correction, subject to the provisions of any law.
- 1.25 **"Essential Component"** on the Card: A component or combination of components, which constitute an integral part of the Card itself and/or delivered to the Holder separately from the Card, through which the Cardholder shall be able to give payment orders, and all as prescribed by the Bank from time to time in regard to various kinds of Cards and/or in regard to various payment orders and as shall be published by the Bank on its website and/or in any other accepted manner by which the Bank shall be allowed to so publish. An itemization of the essential

components on the various Cards that the Bank issues as of the date of signature of this agreement, has been and/or shall be delivered to the Customers in a separate document and said document shall be regarded as an integral part of the agreement.

- 1.26 **"Voucher"**: Any document or any other means for entering data (including electronic) issued by a Service Provider and relating to the purchase of an asset, including the withdrawal of funds overseas by a Cardholder.
- 1.27 **"Credit Voucher"**: A Voucher specifying the name of one of the customary or hereafter customary credit tracks at the Bank.
- 1.28 **"Overseas Voucher"**: A Voucher issued for overseas withdrawals or overseas transactions (including online transactions for a business domiciled overseas).
- 1.29 **"Terms of Operation "**: The terms of operation of the Account between the Customers and the Bank, as they shall be from time to time.

PART II – PAYMENT SERVICES

2. THE CARD

2.1 The Card – Property of the Bank

- 2.1.1 The Card is the property of Bank Leumi. The Card is intended for the exclusive use of the Cardholder and cannot be transferred. The Cardholder undertakes to sign the back of the Card and to use the same only in accordance with the various uses permitted for the Card depending on the type of Card, and according to instructions that shall be given from time to time by the Bank and/or the Credit Card Company, and in any event only for the uses permitted by law. The Holder undertakes not to alter the Card in any way and including not to alter the data imprinted on the Card. The Cardholder may not use the Card to obtain cash or any cash alternative (other than from banking corporations as defined in the Banking (Service to Customer) Law, 5741-1981), save as provided in clause 22 below, and save for the purchase of foreign currency from holders of a financial services license pursuant to the Control of Financial Services (Regulated Financial Services) Law, 5776-2016 and save for the withdrawal of cash from businesses that are allowed to provide cash services through the Card, subject to the Bank's approval. The Bank may debit the Account in respect of any use of the Card which exceeds the permitted use, including special commissions that have been and/or shall be prescribed by the Bank.
- 2.1.2 The Customers undertake not to make any use of the Card at Service Providers (including banks) or other entities as a means of acquiring credibility or identification of the Customers. Without derogating from the aforesaid, the Service Provider may require the Customers to identify themselves by presenting identification documents or another essential component for the purpose of executing transactions.
- 2.1.3 The Customers undertake not to make any use of the Card for the purpose of obtaining credits on 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 and/or the Credit Card Company shall be allowed to effect on the Card.

2.2 The Credit Card Company

- 2.2.1 Together with the Bank, the Credit Card Company issues the Card and handles the operation of the Card issuance. Different cards are operated by different credit card companies, as selected by the Bank. The identity of the Credit Card Company that operates the Card requested by the Customer shall be conveyed to them on the date of the request and by no later than the date of delivery of the Card. The Bank may, at any time,

at its discretion, determine that one or more other entities, including the Bank itself if and to the extent permitted by law, shall replace the Credit Card Company and shall be deemed the issuer and/or shall handle the operation of the Card issuance and provided that the Customers are sent notice according to law, insofar as such notice is required. It is agreed that the details and/or the information with respect to the Customer, and including information gathered and stored in the databases of the Credit Card Company and/or in the databases of the Bank, shall be transferred to said other entity and/or to said other entities, *inter alia*, for the purpose of operating the issuance of the Card and the various services provided thereunder and all or some of the rights, as prescribed by the Bank, to which the Credit Card Company is entitled pursuant to this document and the request, shall be vested in such other entity and/or other entities

- 2.2.2 The Credit Card Company is a party to the Debit Card agreement that consists of this document and the request.

2.3 **Ensuring the Safekeeping of the Card and the Essential Components on the Card**

- 2.3.1 The Card and/or any essential component on the Card may not be delivered to another person/s, save delivery into custody under reasonable circumstances and save delivery of the Card to a Service Provider for the sake of giving a payment order through the same Service Provider and the Customers undertake to safeguard the Card and the essential components in order to prevent their use by another person/s other than the Cardholder.
- 2.3.2 With the delivery of the Card or in proximity thereto, a sealed envelope containing a PIN number (hereinafter – "**PIN number**") may also be delivered to the Customers. The Customers undertake that if the envelope is not completely sealed, the Customers shall not make any use of the Card and shall return the Card to the Bank or to the Credit Card Company as soon as possible in the manner specified in clause 2.6.4 below.
- 2.3.3 The Customers undertake not to record the PIN number on the Card or on any document or object in proximity to the Card, including recording said number on a cellular device or any other electronic device, in either an overt or encoded manner, not to disclose to any other persons/s the PIN number and/or any other essential component on the Card, and not to deliver the Card to any other person/s together with the PIN number. The Customers are aware that the recording of the PIN number on the Card or disclosing the PIN number and/or any other essential component on the Card to any other person/s may cause damages to the Customers and/or to the Bank and/or to the Credit Card Company.

2.4 **Smart Card**

In the event that the Card to be delivered to the Customers shall be equipped with a computer chip (hereinafter – "**Smart Card**") the following provisions shall apply:

- 2.4.1 The receipt of the Smart Card requires the Customers to enter the PIN number when executing a transaction, where the Service Provider has an electronic point of sale designed for Smart Cards (hereinafter - "**Smart Point**"). The manner of receiving services from a Service Provider who does not have a Smart Point remains unchanged and the Holder is required to sign the Voucher.
- 2.4.2 The Customers are aware and the Customers agree that the entering of the PIN number is equivalent to the Customers' signature on the Voucher and replaces the same. A transaction executed using a Smart Card and in respect of which the Customers have entered the PIN number, shall not be deemed a "payment transaction with an incomplete document" as defined in the Law.
- 2.4.3 Nothing stated in this clause 2.4 derogates from the Customers' undertaking to safeguard the Card and essential components on the Card as set forth in clause 2.2 above.

- 2.4.4 The Customers hereby release the Bank and the Credit Card Company from liability for any disruption and/or failure in reading the Smart Card data on the Chip, including at electronic points of sale designed for Smart Cards, and provided that the foregoing disruption or failure are beyond the control of the Bank and/or the Credit Card Company and the Bank and/or the Credit Card Company have taken reasonable actions to prevent the same.

2.5 **Freezing the Card**

- 2.5.1 The Customers shall be allowed to notify the Bank or the Credit Card Company, at any time, of their request to freeze the use of the Card for a period selected by them, and provided that said period does not exceed 14 days. The Customers undertake not to use the frozen Card during the freeze period.
- 2.5.2 Notwithstanding the aforesaid, the Bank shall be entitled to allow the Customers, at its sole discretion and including with regard to certain types of cards, to freeze a Card for a period exceeding 14 days. If the Bank has so allowed, and the Customers have requested a freeze for a period exceeding 14 days, the Bank shall be entitled to prescribe that the freeze shall continue to remain in effect until a different instruction is received from the Customers.
- 2.5.3 The Bank and/or the Credit Card Company shall be entitled, at any time – by giving advance notice, to freeze the Card or to limit the possibility of using any services through the Card, if this is required in accordance with the provisions of any law or on other reasonable grounds. If such advance notice has been given other than in writing, notice to this effect shall be sent to the Customers also in writing.
- In the event that delivery of the notice is prohibited by law or in the event that the delivery of the notice is liable to frustrate the purpose for which the freeze or the limitation is required, the freezing of the Card or the limiting of its use shall not require advance notice, provided that the notice of the freeze is delivered to the Customers as soon as possible after the impediment to giving such notice has been removed.
- 2.5.4 It is clarified that the Bank is entitled to continue to debit the Customers in respect of any Voucher and/or debit relating to a payment order given prior to the freezing of the use of the Card.

2.6 **Cancellation of the Card / the Arrangement**

- 2.6.1 The Bank shall be entitled, at any time – by giving 45 days' advance written notice, to cancel the Card, not to renew the Card, to reduce the period of the Card, to refuse to issue an additional Card, and to bring the entire arrangement pursuant to the request to issue one or more Debit Cards and/or pursuant to this document to an end. Notwithstanding the aforesaid, the Bank shall not be obligated to give such advance notice if there are exceptional circumstances that justify such cancellation immediately, and for this purpose see, *inter alia*, the circumstances set forth in clause 2.6.3 below, as exceptional circumstances. If the Bank and/or the Credit Card Company have notified the Customers of a cancellation of the Card or of a refusal to renew the Card, as applicable, the Customer shall return the Card to the Bank immediately upon receiving said notice.
- If the Card has been cancelled without a substitute card in its place or the Card has not been renewed for any reason whatsoever, the Bank shall be entitled (but not obligated), *inter alia*, to demand the debits, in respect of which the Account has not yet been debited, for immediate payment, including interests and commissions.
- The Customers are aware that so long as the Card shall be held by the Customers and/or so long as the Customers continue to be debited with various payments as set forth above,

the Customers shall be liable for paying the commissions due on the Card and on the use of said Card.

2.6.2 The Customers shall be entitled, at any time, to terminate the arrangement pursuant to this document in connection with a Card or Cards pursuant to a request to issue one or more Debit Cards, by giving notice to the Bank, and the termination shall enter into effect at the end of the business day following the date of delivery of the notice or, if the Bank so allows, on a later date at the request of the Customers.

2.6.3 The Customers undertake not to make any use of the Card subsequent to the cancellation thereof, and the Customers also undertake to return the Card to the Bank (save in the event that the Card has been lost, stolen or destroyed) and to refrain from making any use of the Card (including of an essential component on the Card) immediately upon the Account being closed for any reason whatsoever and/or upon cancellation of the Customers' right or the Holder's right to use the Card and/or on the date when the Card expires and/or upon termination of the arrangement or cancellation of the Card as set forth in this clause 2.6 above and/or in any one or more of the circumstances specified in clauses 3.5 or 4.4 below and in the events of default and demand for immediate repayment clause in the Terms of Operation and/or in any one or more of the circumstances specified below:

- (1) If the Customers' right to use the Card has been restricted by a competent authority;
- (2) The death, legal incapacity, imprisonment, or departure from Israel of the Cardholder;
- (3) Upon the emergence of other conditions that necessitate and/or justify the immediate reduction or cancellation of the Card Line in accordance with the provisions of the Law and/or instructions of a competent authority and/or the instructions of the International Organizations (and including instructions with regard to capital adequacy);

(Each one of the circumstances specified in the events of default and demand for immediate repayment clause in the Terms of Operation, as well as each one of the circumstances listed in clauses (1) and (3) above, hereinafter: "**Breach Events**").

And confirm that the Bank is entitled to continue to debit the Customer in respect of any Voucher and/or debit relating to a transaction carried out prior to the cancellation of the Card. Furthermore, the Bank and the Credit Card Company, as applicable, are entitled, but not obligated, even subsequent to the return or cancellation of the Card, to continue to debit the Customer in respect of credits extended through the Card, as well as in respect of debit refunds that have been cancelled.

2.6.4 The return of the Card in this document, means – actual delivery to the Bank, or sending the Card by registered mail to the Bank, where it is cut on its magnetic strip.

3. **IF THE ACCOUNT IS A JOINT ACCOUNT, THEN**

3.1 Subject to the provisions of clause 2.6 above, each of the Account Holders may request a Card from the Bank with his name designated thereon or an ATM Card (together with a PIN number in respect thereof) and the liability for complying with the provisions in this document is imposed on all the Account Holders, jointly and severally.

3.2 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 delivery of notices with respect to the Cards.

3.3 The Card enables / shall enable information to be received by using the Card in conjunction with various ATM Machines with respect to various accounts or deposits of the Customers at the Bank, even if they are managed in the name of only one of the Joint Account Holders, if they are linked to the Account, and the Customers consent to this arrangement. Nothing stated above shall

obligate the Bank or the Credit Card Company to enable information to be received by means of the Card.

- 3.4 The Card enables / shall enable each one of the Customers who hold a Credit Card to execute all the transactions and operations which the Bank or the Credit Card Company allows/shall allow, from time to time, including, but not limited to, changing Debit Dates, receiving credits and executing transactions without having to physically present the Card.
- 3.5 The Customers undertake that immediately upon learning of the cancellation or lapse of the right of any of the Customers to act in the Account individually, including in the case of the death of one of the Joint Account Holders, they shall cease using any Card that has been issued for the use of the Customers hereunder, and return the same as set forth in clause 2.6.4 above.
- 3.6 Where the Bank receives written notice of the termination of the authorization of any of the Account Holders (where the Account is a joint account), or where the Bank receives notice of the occurrence of any event which, according to the laws of the State of Israel, terminates the authorization when it occurs, the Bank and the Credit Card Company shall be entitled (but not obligated) to freeze the possibility of using the Card or to cancel said Card. In the event of the termination of such authorization, the Customers shall be responsible for returning the Card as set forth in clause 2.6.4 above.
- 3.7 The cancellation and/or freeze and/or return of the Card as set forth in clause 2.6.4 above shall not derogate from the Bank's right, under the provisions of the law, to debit the Account in respect of Vouchers and/or debits relating to transactions effected prior to the cancellation / freeze / return of the Card and/or by the use of the Card data made by the Cardholder and/or in respect of credit extended through the Card and/or in respect of debit refunds that have been cancelled, and the return of the Card shall not derogate from the right of the Bank and the Credit Card Company, under the provisions of the law, to debit the Account in respect of cash withdrawals made through the Card prior to such aforesaid cancellation / freeze / return of the Card.

4. CARD ISSUED TO AN AUTHORIZED REPRESENTATIVE WHO IS NOT THE ACCOUNT HOLDER

- 4.1 If the Customers request the issuance of a Card bearing the name of an Authorized Representative on their behalf, as defined above, and the delivery of the Card to said Representative, all the obligations, undertakings and rights arising from this document shall apply both to the Customers and the Authorized Representative.

The Customers shall also be liable toward the Bank and the Credit Card Company for the Authorized Representative abiding by the provisions of this document, as well as for any act or omission of the Authorized Representative contrary to the provisions of this document.

- 4.2 The issue and delivery of the Card to the Authorized Representative constitutes the Customers' consent to allow the Authorized Representative to carry out, in the Customers' name and stead, all the operations and transactions that the Bank and/or the Credit Card Company allow / shall allow a Joint Account Holder to carry out by means of the Card, from time to time - as set forth in clause 3 above, and all the provisions of clause 3 above shall apply also to the issue of the Card to the Authorized Representative.

Moreover, the issue and delivery of the Card to the Authorized Representative constitutes, vis-à-vis the Bank and the Credit Card Company, consent by the Authorized Representative with respect to the possibility of the Customers obtaining information about all matters relating to the Card, including transactions and operations executed by means of or in connection with such Card.

- 4.3 The Account shall be debited in respect of any use made by the Authorized Representative of the Card, in such manner and on such terms as if the Customers themselves had made such use, and

the Customers shall be precluded from raising any claim against the Bank and against the Credit Card Company concerning the lack of authority of the Authorized Representative and/or the excess of such authority and/or the absence of legal capacity of the Authorized Representative and/or misuse by the Authorized Representative and/or any claim concerning the use of the Card in a manner deviating from the provisions of this document or of any law.

- 4.4 So long as the Customers have not notified the Bank of the revocation of the Authorized Representative's right, the Bank may continue debiting the Account in respect of all the operations and transactions executed through the Card, regardless of whether the Authorized Representative acted with or without authority or in excess of authority, or whether or not he acted in accordance with the provisions herein contained, and the Customers hereby waive any claim related to the debiting of the Account in connection with the use of the Card by the Authorized Representative, until the revocation notice is delivered to the Bank.
- 4.5 The Customers release the Bank and the Credit Card Company from any liability for any damage and/or loss that may be incurred by the Customers as a result of the use that may be made of the Card by the Authorized Representative. Where the Customers are a corporation, then in addition to the provisions of clauses 4.1 - 4.4 above, the Customers declare that the Authorized Representative has been authorized by the Customers, by a duly adopted resolution, to obligate the Customers by using the Card. In addition, and notwithstanding any notice of a resolution to the contrary given to the Bank, the Authorized Representative shall be entitled to receive credits on behalf of the corporation through the Card in accordance with the terms of this document and according to the Bank's customary terms with respect to all Cardholders.

Instructions of the Customers concerning restrictions on activity in the Account, if given, cannot be implemented, either with respect to types of activities or with respect to amounts, insofar as such uses are made by means of the Card.

Any such use of the Card shall be binding upon the corporation, which shall bear all debits and liabilities relating thereto, including in respect of installment transactions executed by the Authorized Representative, as well as transactions in amounts exceeding those that have been authorized by the corporation, who will not be entitled to deny the validity of the debits and/or liabilities which shall be binding upon it, vis-à-vis the Bank, for all intents and purposes.

The Authorized Representative hereby permits the Bank and the Credit Card Company to deliver to the corporation, from time to time, details arising from the Authorized Representative's activity with the Card, including details included in the request and/or that have been forwarded to the Bank or to the Credit Card Company by the Authorized Representative and/or by someone else in connection with the aforementioned (and including details of transactions and operations with the Card, uses and utilization of the Card Line, etc.), at the request of the corporation and/or at the discretion of the Bank and the Credit Card Company.

- 4.6 Where the Authorized Representative is a minor – then in addition to the aforesaid in clauses 4.1 – 4.4 above, the Customers explicitly release the Bank from any claim arising from the fact that the Authorized Representative is a minor, and his uses of the Card shall be deemed uses of the Customers, even if such uses are invalid or capable of being avoided pursuant to the Legal Capacity and Guardianship law, 5722-1962.

5. MULTIPLE CARDS

If more than one Card is issued to the Customers, the provisions hereof shall apply to each such Card and the expression "the Card" shall be deemed to relate to each Card. Without derogating from the general purport of the aforesaid, the issuance of one Card does not obligate the Bank to issue an additional and/or other Card to the Customers. The provisions hereof shall not expire solely due to Cards not having been issued to the Customers or to the Customers not holding

Cards at any given time, and they shall apply to Cards that are issued to the Customers at a later date.

6. **THE OBLIGATION TO PAY**

Pursuant to international and/or local arrangements that are binding upon the Bank and/or the Credit Card Company, the Bank and/or the Credit Card Company must pay for each Voucher; and, if the currency in which any Voucher is denominated is a foreign currency other than the Primary Debit Currency, then, so long as the Customers do not receive notice of any change occurring in the international account settlement arrangements, the Bank and/or the Credit Card Company must pay the equivalent of such currency in the Primary Debit Currency at the rate of exchange prevailing at the Credit Card Company. Upon this document taking effect, the undertaking of the Bank and/or the Credit Card Company to pay for each Voucher shall be deemed to be an undertaking assumed by the Bank and/or the Credit Card Company pursuant to an irrevocable request of the Customers. It is clarified that a Voucher also includes a Voucher in respect of cash withdrawals from ATM machines overseas.

7. **VALIDITY AND RENEWAL**

The Card is valid until the date specified thereon as the expiry date, or if the Bank has decided to reduce the period of the Card or to cancel the same - until the aforementioned date, whichever is earlier. Near the date on which the card is to expire, the Bank and the Credit Card Company or the Bank and a different credit card company as shall be selected by the Bank, at the Bank's option, are hereby requested to issue a new Card to the Customers, without requiring a new application from the Customers, for the period then customary at the Bank and/or the Credit Card Company (whether being the same, shorter or longer than the period of the Card about to expire), and the provisions hereof shall apply with respect to the new Card, without an additional Debit Card agreement having to be signed; and the same shall apply at the expiration of each such additional period. However, the Bank and/or the Credit Card Company are not obligated to issue such new Card to the Customers, for any reason whatsoever. Upon receipt of the new or replacement Card, the Customers shall return the expired Card to the Bank, or – if the Bank or the Credit Card Company ask the Customers to do so – the Customers shall destroy the Card, unless it has been lost or stolen from the Customers' possession.

8. **CARD CREDIT LINE**

- 8.1 Each Credit Card Holder shall be entitled to use the Card to purchase Assets in an aggregate amount that shall not exceed the amount prescribed by the Bank, from time to time, as being the aggregate maximum amount of transactions that the Customers shall be entitled to execute through the Card alone (hereinafter - “**Individual Card Credit Line**”) and/or as being the aggregate maximum amount of transactions that the Customers shall be entitled to execute through all or some of the credit cards that have been and shall be issued in the Account on any given date (hereinafter - “**Cards Credit Line in an Account**”). The Individual Card Credit Line and the Cards Credit Line in an Account shall hereinafter be referred to, jointly and severally, as applicable, as “**the Card Credit Line**”). The Card Credit Line also includes the unpaid balance of the credits which the Bank extends to the Customers through the Credit Card.
- 8.2 The Bank may (but with no obligation), at its absolute discretion, extend to the Customers a credit line in addition to the Card Credit Line (hereinafter - “**Unilateral Credit Line**”) (the Card Credit Line and the Unilateral Credit Line shall hereinafter be referred to, jointly and severally, as “**the Card Credit Line**”). The Bank shall give notice to this effect to the Customers. The extension of the Unilateral Credit Line by the Bank does not constitute an undertaking by the Bank to authorize additional deviations from the Card Credit Line.

8.3 The allocation of the Card Credit Line (including the Unilateral Credit Line) is not dependent upon the credit balance in the Account and/or upon the Credit Line in the Account (if such has been authorized) and the Customers undertake to ensure that on the Account Debit Date the amount of the debit does not exceed the credit balance standing to the Customers' credit in the Account or the amount of the Credit Line authorized for the Customers by the Bank in the Account (if authorized). However, the Bank and the Credit Card Company shall also debit the Account in respect of Vouchers in an amount exceeding the aforesaid limits.

8.4 **Validity of the Credit Card Line**

The Credit Card Line shall be in effect for such period as shall be prescribed by the Bank by notice to the Customers, unless it has been previously cancelled or reduced, but in any event for not more than one year from the date of issue of the Card. The Customers request that upon the expiration of the Card Credit Line, the line shall be renewed for such further period as shall be prescribed by the Bank, and in any event for not more than one year, and so on and so forth. Each renewal of the Card Credit Line shall be at the sole discretion of the Bank, and the Bank is not, nor shall it be, under any obligation to renew the Card Credit Line, in whole or in part, for any further period. Each renewal of the Card Credit Line shall enter into effect immediately on the expiration of the validity period of the preceding Card Credit Line, unless the Bank notifies the Customers prior to the expiration of the Card Credit Line of the non-renewal of the Card Credit Line. Such notice shall be delivered at such time and in such manner as is mandated by law.

8.5 If the Bank has decided to cancel and/or to reduce and/or not to renew the Card Credit Line for an additional period, the Customers shall be required to repay all the sums that are and shall be due from the Customers in respect of the Credit Card, including the credits that have been extended to the Customers through the Credit Card, on the date of the cancellation and/or reduction and/or upon the expiration of the Card Credit Line period, as the case may be, unless the Customers have been notified otherwise by the Bank.

8.6 Subject to any law, the Bank shall be entitled, at any time, at its discretion, to modify the Card Credit Line or the terms thereof, either for a fixed period of time or until the expiration of the Card Credit Line available to the Customers at such time, including by reducing it, increasing it, dividing it for transactions and/or for the extension of credit and generally perform any other action in relation to the Card Credit Line at its sole discretion and subject to any law

8.7 The Bank shall be entitled to cancel and/or to reduce the Card Credit Line by advance notice pursuant to any law or immediately and with no advance notice, in cases where the Bank might be at risk of being unable to collect all the amounts that are and shall be due from the Customers to the Bank in respect of operations executed with the Credit Card, including in respect of credits that have and shall be received by the Customers through the Credit Card, together with outstanding interest up to such time, in consequence of an adverse change in the solvency of the Customers or upon the occurrence of other conditions that necessitate the immediate reduction or cancellation of the Card Credit Line, including in the case of one or more of the Breach Events (as defined above) or in other cases permitted by any law.

In the event of the immediate cancellation and/or reduction of the Card Credit Line with no advance notice as set forth above, notice to this effect shall be sent to the Customers at the same time as the reduction and/or cancellation.

8.8 If the Bank and/or the Credit Card Company authorize the execution of a transaction in any amount, the Bank and/or the Credit Card Company shall be entitled to regard the amount of the transaction as having been used by the Customers on account of the Credit Card Line even if after the authorization of the transaction it is not in fact executed for any reason whatsoever.

The Bank and/or the Credit Card Company are entitled, on reasonable grounds, to decline to approve the execution of transactions of a certain category and/or with certain Service Providers and/or in certain economic sectors and/or with certain categories of Service Providers and/or to decline to approve the transaction in the manner it was requested, even if the transaction amount does not exceed the available Card Credit Line, and even if there is a sufficient balance in the Account including, but not limited to, a case where there is concern of misuse of the Card or the details thereof or any concern of a risk deriving from the law and/or from the customary international arrangements with respect to the Card and/or where the maturity dates fall after the expiration of the Card Credit Line, or if, according to the arrangements between the Bank and/or the Credit Card Company and the Service Provider or other company dealing with the clearance of Credit Cards, the execution or method of the execution of the transaction is not permitted. The Customers release the Bank in advance from any claim for damage, mental anguish and/or loss of profit that may be suffered by the Customers due to such reasonable refusal.

Without derogating from the general purport of the aforesaid, the Bank and/or the Credit Card Company may, according to their sole discretion, authorize the execution of any transaction, even if the amount thereof deviates from the amount of the Card Credit Line. It is hereby clarified that such authorization does not obligate the Bank and/or the Credit Card Company to authorize additional transactions that deviate from the Card Credit Line and such authorizations shall be given subject to the sole discretion of the Bank and/or the Credit Card Company, and in the event that a deviation is approved by the Bank and/or the Credit Card Company, the Customers may not in future raise any claim in connection with the consent of the Bank and/or the Credit Card Company to allow the Customers a deviation also in future and/or in connection with the Customers' reliance on the amount utilized in deviation from the Card Credit Line. It is hereby clarified that if authorization for such deviation is given, then this authorization is specific and does not constitute authorization for increasing the Card Credit Line.

9. EXEMPTION FROM LIABILITY FOR ASSETS

- 9.1 The Bank and the Credit Card Company shall bear no liability in the event that any Service Provider refuses to honor the Card or stipulates the honoring of the same on any conditions. Moreover, the Bank and the Credit Card Company shall be under no liability in connection with the supply (including the supply time), quantity, quality or standard of any Assets ordered or purchased by, or supplied to, the Cardholder by any Service Provider; and no claim by the Cardholder or by the Customers in respect of or in connection with any such aforementioned matter shall be available to said Cardholder/or to the Customers against the Bank and/or against the Credit Card Company even if such aforementioned claim or demand would have been available to said Cardholder or to the Customers against any Service Provider. The foregoing does not derogate from the Customer's rights under the law.
- 9.2 Moreover, subject to the provisions of the law, the Bank and/or the Credit Card Company shall be under no obligation to take any measures against any Service Provider or any other entity in respect of or in connection with any claims or demands of the Cardholder and/or of the Customers. Save that wherever any Service Provider transfers or refunds to the Bank or to the Credit Card Company any amount in connection with a transaction on the Card - such sum shall be credited to the Account of the Customers less expenses and commissions, and without derogating from the provisions of clause 11.1.1 below and the provisions of any law.

10. STANDING ORDERS

- 10.1 The giving of Standing Orders on a Credit Card enables the Service Providers to present debits to the Credit Card Company so long as the Standing Orders have not been cancelled by notice to the Credit Card Company (whether by the Service Provider or by the Customers), in accordance with and subject to the terms of the Standing Order. Any such debit that is presented to the Bank and/or to the Credit Card Company shall be treated as a Voucher requiring payment as set forth

in clause 6 above. In the event that the Customers instruct the Bank and/or the Credit Card Company to cease debiting the Account with payments arising from the Standing Orders and/or to instigate the cancellation of the Standing Orders, the Bank and/or the Credit Card Company shall cease debiting the Customers in respect thereof; the Customers shall bear all the liability deriving from such instruction to cease or to instigate the cancellation of Standing Orders.

The Bank and the Credit Card Company may, at their discretion, decline to allow the execution or Standing Orders in regard to certain Cards and in regard to certain Service Providers.

10.2 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 has been restricted or revoked (including on account of cancellation of the Card, cancellation of the Debit Card agreement or expiration of the Card without a new Card being issued for the Customers). Without derogating from the aforesaid, the Customers hereby authorize the Credit Card Company to notify the Service Providers, in the Customers' name and stead, of the Standing Order's cancellation and release the Bank and the Credit Card Company from any damage and/or loss and/or loss of profit or rights that may consequently be sustained by the Customers. The Credit Card Company shall not be obligated to abide by such authorization and the Bank and the Credit Card Company are entitled, but not obliged, to continue debiting the Account with installments deriving from Standing Orders that have not been cancelled by them, as stated above.

10.3 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 the same Credit Card Company, the Standing Orders in respect of the cancelled Card shall be transferred to the aforesaid Card. The Customers confirm that if a Card which has been or shall be issued to the Customers is cancelled or expires and a new Card is issued to the Customers in its place with the same Credit Card Company, including a Card bearing the same number, then all the Standing Orders given by the Customers to debit through such cancelled or expired Card shall remain in effect and shall be transferred to the new Card and/or to the replacement card that is so issued to the Customers by the Bank. If the Card is cancelled for any reason without a replacement Card being so issued and the Holder of the cancelled Card does not possess another Card that was issued in the Account by the Bank together with the same Credit Card Company, all Standing Orders in respect of the cancelled Card shall be cancelled.

10.4 **TRANSFER OF STANDING ORDERS FROM A CREDIT CARD**

10.4.1 In the event that the Customers request to transfer Standing Orders in respect of a Credit Card to a new Credit Card, the Credit Card Company shall notify the Service Providers of the details of the new Credit Card for the purpose of debiting the new Card through the Standing Orders. In addition, the Credit Card Company shall inform the Service Providers of the details of the new Card, including the full number of the new Credit Card and the expiration date thereof, as well as the ID number of the Customers and the full number of the Card from which the Customers requested to transfer Standing Orders. Standing Orders cannot be transferred from a Credit Card that has been cancelled.

10.4.2 The Credit Card Company is hereby authorized to provide to the Service Providers the number of the new Card, as well as all the details of the Customers and/or the details of the Card that are necessary in order to continue the debiting of the Standing Orders and/or itself transfer the Standing Orders to the new Card.

10.4.3 The activity shall only be transferred in regard to “**active**” Standing Orders in accordance with the definitions of the issuer of the old Card from which the Customers wish to transfer the Standing Orders.

10.5 **TRANSFER OF STANDING ORDERS TO A CREDIT CARD**

- 10.5.1 In the event that the Customers ask the Bank and/or the Credit Card Company to transfer to a Card Standing Orders that are debited through another Credit Card of the Customers, whether issued by the Bank and/or the Credit Card Company or issued by others (hereinafter: "**the Previous Card**", "**the Transferring Credit Card Company**"), either on the date of signing this document or on a later date, the following provisions of this clause 10.5 shall apply.
- 10.5.2 The Customers shall provide to the Bank and/or to the Credit Card Company the details of the Previous Card.
- 10.5.3 The Customers are aware that the timeframe for completing the Standing Order transfer process is about 90 days.
- 10.5.4 The Customers explicitly authorize the Bank and the Credit Card Company to transfer the Credit Card number, as well as any other relevant detail to the Transferring Credit Companies for the purpose of transferring the Standing Orders to the Card.
- 10.5.5 The Customers are aware that the roles of the Bank and the Credit Card Company are limited solely to transferring the request to the Transferring Credit Company, as detailed in this clause 10.5.
- 10.5.6 The Bank and the Credit Card Company shall honor a Standing Order on a Card subject to the Card Credit Line made available to the Customers as set forth in clause 8 above being sufficient to allow the execution of the debit on the date of receiving the debit request.
- 10.5.7 If the Customers' request is to transfer Standing Orders from a Previous Card issued by the Bank, then the transfer of the Standing Orders is contingent on the Previous Card being valid and intact, and not precluded from use.
- 10.5.8 If the Customers' request to transfer Standing Orders is made simultaneously with the signing by the Customers of this document and/or of the request, then:
 - (1) Where the Bank decides not to issue the Card to the Customers, this request shall not be transferred to the Transferring Credit Card Company.
 - (2) The Customers are aware that there may be cases where the Standing Orders are transferred to a Card even before the Card reaches the Customers.

11. **ACCOUNT DEBIT DATES**

If the Bank and/or the Credit Card Company have paid a Voucher or have been requested to pay for any Voucher, the Account shall be debited pursuant to this document in the Stated Amount of the Voucher on the below designated debit dates:

11.1 **Regular Debit Dates of a Credit Card**

- 11.1.1 If the Voucher was issued by a Service Provider overseas including in respect of cash withdrawals from ATM Machines overseas and including an online transaction with a Service Provider domiciled overseas, either in foreign currency or in New Israeli Shekels - the Account shall be debited in the Stated Amount of said 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, and/or unless the Customers have asked, and the Bank has agreed, that the Account be debited in the Stated Amount of said Voucher on the Monthly Debit Date (as defined below) in accordance with the Bank's practice) or on the debit dates prescribed by the Bank from time to time (hereinafter: "**the Payment Date**"); these transactions are subject to a commission as shall be specified in the commissions tariff.

- 11.1.2 If 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 either in Israel or overseas, the Account shall be debited on the Payment Date, as defined above.
- 11.1.3 In respect of Vouchers denominated in Israeli currency, which do not relate to cash withdrawals, issued by a Service Provider in Israel, the Bank and the Credit Card Company shall debit the Account with the Stated Amount of said Vouchers monthly, on such date as the Customers shall select out of a number of alternative dates that the Bank shall prescribe or if no such date is selected, on such debit date/s as shall be prescribed from time to time by the Bank, unless the Customers have requested otherwise and the Bank has consented to their request (hereinafter: "**the Monthly Debit Date**").
- 11.1.4 The Monthly Debit Date may be changed by notice to be delivered by the Customers to the Bank and/or to the Credit Card Company according to the arrangements now or hereafter customary at the Bank and may involve a debit to be made twice a month during the transition period. The Bank shall be entitled, from time to time, to vary the frequency of the debits, the Monthly Debit Dates and also to add additional debit dates, either for all purchases with the Card or for purchases of a certain type and/or effected at certain Service Providers, by giving prior notice, as required from time to time under the provisions of any law.
- 11.1.5 Where the Bank does not debit the Account of the Customers with the Stated Amount of any Voucher on the Debit Date, the Bank may debit the Account on a later date according to the value on the Debit Date or with the addition of Corrective Interest, at the Bank's discretion, and subject to the provisions of the law.

11.2 **Deferred Debit Dates of a Credit Card**

The Regular Debit Dates may be deferred, subject to the provisions in clause 12 below, in the following cases:

- 11.2.1 Whenever according to the agreement between the Customers and any Service Provider, a deferred debit date/s is specified on the face of the Voucher (hereinafter: "**the Deferred Debit Dates**"), the Bank and/or the Credit Card Company shall debit the Account with the Stated Amount of said Voucher, or with parts of the Voucher amount, as specified on the face thereof, on the Deferred Debit Dates subject to the date of presentation of the Voucher for collection by the Service Provider and subject to the approval of the Bank and/or the Credit Card Company.
- 11.2.2 Whenever according to the agreement between the Customers and any Service Provider, a number of installments have been written on the face of the Voucher and approval has been given for this by the Bank and/or the Credit Card Company, the Bank and/or the Credit Card Company shall debit the Account with parts of the Voucher amount as noted on the face thereof as of the nearest Debit Date and on the subsequent Debit Dates according to the number of installments written on the face of the Voucher (hereinafter - "**the Debit Dates in Installments**").
- 11.2.3 Where the Voucher is a Credit Voucher within the scope of one of the credit arrangements set out below and/or customary in the Bank at such time with respect to the relevant Card, or the Customers otherwise request credit from the Bank, and the Bank has agreed, the Account shall be debited on the maturity dates prescribed for clearing the credit according to the aforementioned arrangements (hereinafter - "**the Credit Maturity Dates**").
- 11.2.4 The aforesaid with regard to Deferred Debit Dates shall not apply to the use of an Immediate Debit Card or Prepaid Card, unless the Customers have received notice to the contrary from the Bank and/or the Credit Card Company.

- 11.3 If the Bank and/or the Credit Card Company receive notice from the Customers that the Asset to which the Voucher applies was not supplied to the Customers and the Customers have cancelled the transaction, or in the event that it has been brought to the attention of the Bank and/or the Credit Card Company that an application has been submitted to the court for a receivership order /liquidation order/order to initiate proceedings under the Insolvency and Economic Rehabilitation Law, 5778-2018, against the Service Provider, and such application for an order has been published by law or served on the Bank and/or the Credit Card Company, then the Bank and/or the Credit Card Company shall cease debiting the Account with the balance of the sums as yet unpaid by the Customers on the basis of the aforementioned Voucher, as soon as possible after receiving such notice. If the Asset to which the Voucher applies has been supplied in part, the provisions of this clause above shall apply, *mutatis mutandis*, in regard to the part not supplied, and provided that the debit for the Asset not supplied can be separated.
- 11.4 Nothing stated above derogates from the right of the Bank and/or the Credit Card Company to re-debit the Account with the balance of the above sums, in whole or in part, according to the value thereof on the date on which they ought to have been debited had it not been for the suspension of the debit, if they are convinced that the Asset or any part thereof was supplied to the Customers or that the Customers did not cancel the transaction. The notice setting out the reasons for the debit shall be delivered by the Credit Card Company to the Customers in accordance with the law.

12. **IMMEDIATE PAYMENT OF CREDIT CARD**

Notwithstanding the aforesaid, with regard to the various Debit Dates, the Bank and/or the Credit Card Company shall be entitled to debit the Account with, and the Customers shall be liable to pay to the Bank immediately, the Stated Amount of each Voucher immediately, even prior to the Monthly Debit Dates and/or the Deferred Debit Dates and/or the Debit Dates in Installments and/or the Credit Maturity Dates, even without the need for any advance notice or demand, upon the occurrence of any one or more of the Breach Events (as defined in clause 2.6.3 above). All of the above shall be effected while preserving the Customers' rights with respect to deferred payments in accordance with the law.

13. **IMMEDIATE DEBIT CARD**

- 13.1 The Debit Dates in respect of purchases executed through an Immediate Debit Card shall fall in proximity to the date the purchase is executed or the date the Voucher is received by the Bank and/or the Credit Card Company. To avoid doubt, it is clarified that transactions in respect of a Voucher issued by a Service Provider overseas, including in respect of cash withdrawals from ATM Machines overseas, and including an online transaction with a Service Provider domiciled overseas, either in foreign currency or in New Israel Shekels, is subject to a commission as shall be specified in the commissions tariff.
- 13.2 In the case of an Immediate Debit Card, each individual transaction is subject to the Bank's approval and to the existence of a credit balance in the Account and/or a Credit Line in the Account, which are not lower than the Stated Amount of the Voucher. It is clarified that in addition to the debiting of the Account with the Stated Amount of the Voucher, valid transaction authorization amounts shall be debited to the Account for a limited time.
- 13.3 Where the Bank and/or the Credit Card Company do not debit the Account of the Customers with the Stated Amount of any Voucher on the Debit Date, the Bank and/or the Credit Card Company may debit the Account on a later date according to the value on the Debit Date or with the addition of Corrective Interest, at the discretion of the Bank and/or the Credit Card Company and subject to the provisions of the law.
- 13.4 The Bank and/or the Credit Card Company may prescribe an aggregate maximum daily amount for executing transactions with an Immediate Debit Card, as well as an aggregate maximum

periodic amount for executing transactions with an Immediate Debit Card, as they shall give notice from time to time. The Bank and/or the Credit Card Company may prescribe a maximum amount per transaction, as they shall give notice from time to time. The Holder shall not exceed such maximum amounts.

- 13.5 In the case of a transaction that deviates from the aforesaid in clause 13.4 above, the Bank and the Credit Card Company are entitled to refuse to approve the execution of said transaction. Moreover, the Bank and the Credit Card Company are entitled, on reasonable grounds, to decline to approve the execution of transactions of a certain category and/or with certain Service Providers and/or to decline to approve the transaction in the manner it was requested even if the transaction does not deviate from the aforesaid in clause 13.4, including, but not limited to, a case where there is concern of misuse of the Card or the number thereof or any concern of a risk deriving from the law and/or from the customary international arrangements with respect to the Card and/or where according to the arrangements between the Bank and/or the Credit Card Company and the Service Provider, or other company dealing with the clearance of Cards, the execution or method of the execution of the transaction is not permitted. The Customers release the Bank in advance from any claim for damage, mental anguish and/or loss of profit that may be suffered by the Customers due to such reasonable refusal,
- 13.6 The Holder is only entitled to execute regular transactions with the Immediate Debit Card. The Holder is not entitled to execute an installment or credit transaction with the Immediate Debit Card and they shall not be approved, and the Holder shall not be provided with any credit products through the Immediate Debit Card. If, notwithstanding the aforesaid, the Holder executes a transaction other than a regular transaction, or due to an error such transaction is entered, the Bank and the Credit Card Company shall treat this transaction as a regular transaction.
- 13.7 The Bank and/or the Credit Card Company are entitled to restrict the categories of transactions permitted with the Immediate Debit Card, by giving notice to the Customers from time to time. The Holder is not permitted to execute ongoing transactions with the Immediate Debit Card through Standing Orders, unless prescribed otherwise by the Bank.
- 13.8 Whenever the Holder is not permitted to execute a certain transaction and notwithstanding the above such transaction has been executed, the Holder shall be liable for the payment of said transaction, and the Bank and the Credit Card Company shall be entitled to treat said transaction as a regular transaction, and this without derogating from their right to cancel or to freeze the Immediate Debit Card, as set forth above.
- 13.9 Without derogating from the provisions herein contained, the Bank and the Credit Card Company may decline to grant the Holder approval to execute a transaction with the Immediate Debit Card if, at their discretion, such use might be illegal. The aforesaid does not impose a duty on the Bank to examine the legality of the transactions that the Holder has executed or to decline to approve such a transaction and the Holder undertakes to conduct examinations independently. The Bank shall be released from any liability toward the Customers and/or toward the Holder if a transaction has been approved or paid and as a result thereof the Customers and/or the Holders have deviated from the provisions of the law in relation to the use of the Immediate Debit Card.
- 13.10 The Customers confirm that they do not and shall not have allegations and/or demands and/or claims against the Bank and/or the Credit Card Company in respect of damages and/or expenses and/or losses incurred by them as a result of the Customers not being able and/or not being authorized to execute transactions through an Immediate Debit Card.

14. **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, the debit date of the payment shall be deferred to the first Business Day thereafter and interest, if any, shall be calculated and paid accordingly until such day.

15. **PAYMENT OF DEBITS IN THE ACCOUNT / ARREARS ACCOUNT**

15.1 The Customers undertake to pay any sum by which the Account shall be debited hereunder on the date on which it is debited to the Account or, if the debit falls within the Card Credit Line approved by the Bank in the Account (if approved), to pay the same upon the Bank's demand and subject to the Terms of Operation.

15.2 If, on any date following the debiting of the Account as set forth above, the Bank decides, at its discretion (also taking into account the other debits that have been or are about to be debited to the Account) that there is insufficient cover in the Account for that debiting or for any part thereof and the Bank is not prepared to extend a credit line to the Customers for the purpose of covering such debit, the provisions of clause 6.4.2 of the Terms of Operation shall apply.

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

15.3 Nothing stated in this clause derogates from the Bank's right to debit any other account of the Customers as set forth herein.

16. **THE TYPE OF ACCOUNT AND THE MANNER IN WHICH THE ACCOUNT SHALL BE DEBITED**

The type of the Account and the manner in which it shall be debited for the purposes set out herein shall be determined as follows:

16.1 In respect of an Overseas Voucher denominated in foreign currency or in respect of a Voucher denominated in foreign currency that was issued in connection with a transaction in Israel in one payment - the foreign currency Account specified in the request shall be debited with the consideration of the amount in foreign currency according to the Credit Card Company's customary rate in the Primary Debit Currency; and if the request specifies only an Account maintained in Israeli currency – the aforementioned Account of the Customers shall be debited with the consideration in Israeli currency of the amount denominated on said Voucher, according to the customary rate at the Credit Card Company on the date the demand for payment of the Voucher is received.

In addition, it is clarified that where a foreign currency account is specified in the request for debit purposes in respect of Overseas Vouchers denominated in foreign currency, the debit shall be made in the Primary Debit Currency, and if there shall be an insufficient balance of the Primary Debit Currency in such foreign currency account, the Bank shall be entitled, but not obligated, to purchase any amount in the Primary Debit Currency for the purpose of discharging the debit balance arising in the Primary Debit Currency and sell for this purpose any other foreign currency or Israeli currency, as elected by the Bank, as shall be standing to the Customers' credit.

Any such purchase or sale shall be made (if at all) according to the Bank's customary rate. If a transaction is cancelled, no conversion fee shall be debited from the Account. If the Account is credited with the transaction amount, a conversion fee shall be debited from the Account.

Nothing mentioned above shall derogate from the rights of the Bank and the Credit Card Company pursuant to the terms herein.

Where the Customers enroll in one of the credit tracks designated for transactions / withdrawals for which an Overseas Voucher is issued, the debit for these transactions shall be made in an Israeli currency account only.

16.2 If the currency denominated on the Voucher is Israeli currency – the Account maintained in Israeli currency, as specified in the request, shall be debited.

17. **OBJECTIONS**

The Customers shall examine the details recorded on the Periodic Itemized Statements (as defined in clause 25 below) and in the statements that shall be sent and/or any itemization presented to

the Customers (including through communication channels) by the Bank and by the Credit Card Company from time to time, and they shall notify the Bank and/or the Credit Card Company of their objections, if any, within 30 days of the date of receiving the same. The Customers shall provide the Credit Card Company with all the documents and evidence that they shall have in their possession in order to substantiate their objections and shall also assist it in conducting the necessary inquiries, including for the purpose of mitigating damages of the Bank and the Credit Card Company.

If the Bank or the Credit Card Company shall have in their possession any documents on which the Customers could rely in order to substantiate their claims as set forth above, then copies of the same shall be furnished to the Customers by the Bank or the Credit Card Company upon the written demand of the Customers, against payment as customary at the Bank or the Credit Card Company for such matters at such time. The aforesaid does not impose upon the Bank or the Credit Card Company any obligation to retain such documents.

Nothing in the aforesaid imposes on the Bank or on the Credit Card Company any obligations beyond those prescribed in the law or derogates from the Customers' rights under the law.

18. **UNAUTHORIZED CHANGE**

Without derogating from the provisions of clauses 17 and 19 hereof, upon executing a transaction with a Service Provider, the Customers undertake to sign a Voucher only after having examined the details appearing on the Voucher and verifying that they are correct (including as set forth in clause 2.4.2 above). The Customers' signature on the Voucher shall constitute admissible evidence of the correctness of the Voucher's details, including the Stated Amount of said Voucher. If the Customers have been debited by an amount exceeding that stated on the Voucher signed by them, the Customers shall give notice to that effect to the Bank or to the Credit Card Company and the Credit Card Company and the Bank shall refund to the Customers the difference between the amount of the signed Voucher and the amount of the Voucher by which the Customers have been debited, according to the Debit Date value in accordance with and subject to the provisions of the law, on the date prescribed by law.

The aforesaid does not derogate from the right of the Bank and the Credit Card Company to re-debit the Account at any time with all or any part of the difference according to its Debit Date value, in accordance with and subject to law, if the Bank and/or the Credit Card Company are convinced that the Customers owe such difference, in whole or in part. The Credit Card Company shall advise the Customers of its reasons for making the debit, and at the request of the Customers, shall furnish them within a reasonable time with copies of the documents it holds in this regard.

19. **TRANSACTIONS WITH AN INCOMPLETE DOCUMENT**

It is hereby explicitly clarified that the Bank's right to debit the Account is not, nor shall it be, contingent upon the Voucher in respect of which the Customers have been debited having been signed by the Credit Cardholder or upon the Voucher bearing any signature. However, in any case where within 30 days of notice being given to the Customers regarding any debiting, the debit proves to be in respect of a Voucher not bearing the signature of the Holder (and for this purpose, signature shall also include entering the PIN number as set forth in clause 2.4.2 above), or the Voucher is, in another respect, a transaction with an incomplete document as defined in the Law, and the Cardholder has given notice to the Bank or to the Credit Card Company that the transaction was not carried out by him or the details were completed in the document otherwise than according to the amount undertaken – then and in such case the Bank and the Credit Card Company shall refund such debit amount or the difference between the debit amount agreed to by the Holder and the amount recorded on the Voucher within eight days of receiving the Holder's notice, according to its Debit Date value, in accordance with and subject to the provisions of the law.

The aforesaid does not derogate from the right of the Bank and the Credit Card Company to re-debit the Account at any time with the amount of such debit or difference, according to its Debit Date value, in accordance with and subject to the provisions of the law, if they are convinced that the transaction was carried out by or with the approval of the Holder. The Credit Card Company shall advise the Customers of its reasons for making the debit and, at the request of the Customers, shall furnish them within a reasonable time with copies of the documents it holds in this regard.

20. **RESTRICTIONS ON USE / CANCELLATION / BLOCKING OF CARD**

- 20.1 Without derogating from the aforesaid, the Bank or the Credit Card Company may decline to grant the Customers approval to execute a transaction with the Card if, at the discretion of either of them, such use might be illegal. The aforesaid does not impose a duty on the Bank or on the Credit Card Company to examine the legality of the transactions that the Customers have executed or to decline to approve such a transaction and the Customers undertake to abide by the law. The Customers release the Bank from any liability toward the Customers if a transaction has been approved or paid and as a result thereof the Customers have deviated from the provisions of the law in relation to the use of the Card.
- 20.2 The Bank or the Credit Card Company may detain or take the Card, either by itself or through someone authorized for this purpose, subject to the provisions of any law. Whenever the Card is cancelled and/or expires pursuant to the terms hereof, the Service Provider may retain in its possession the Card presented to it, which has so expired and/or been cancelled.
- 20.3 The Bank or the Credit Card Company may, at the discretion of either of them, from time to time prescribe restrictions for one or more of the types of uses that may be made with the Card, including, but not limited to, transactions or the maximum amount for transactions with a certain Service Provider, or restrict such uses in circumstances in which the Bank or the Credit Card Company may, pursuant to law, suspend the Card's use (hereinafter - "**the use restrictions**"). The Bank or the Credit Card Company may, at their discretion, instruct the Service Provider not to honor the Card in the event of a deviation from the use restrictions or require it to obtain the prior approval of the Bank or the Credit Card Company or approve the Card's use with the restrictions that they have imposed.

21. **PREPAID CARD**

21.1 **In this clause -**

"Prepaid Card": A payment card, on which a monetary value can be accumulated by way of preloading and the debit through which is in proximity to the transaction execution date. The Card can be loaded by means of a prepaid card loading order and/or by cash. Loading by cash shall only be possible at businesses and other locations whose names are published from time to time by the Bank and/or by the Credit Card Company, with the restrictions and on the terms as shall be prescribed by the Bank from time to time. The maximum loading amounts shall be prescribed from time to time by the Bank. The Prepaid Card is used for purchasing products and services in Israel and overseas, for withdrawing cash from ATM Machines in Israel and overseas, for receiving information, and for executing various additional operations, as shall be prescribed by the Bank from time to time.

"Prepaid Card Loading Order": An order, signed by the Customers or by any one of them, as applicable, ordering the Bank and/or the Credit Card Company to debit the Account and to load the Card, according to the details appearing in the order. The order can either be in a fixed amount every month or every other period as the Bank shall allow from time to time ("Loading Standing Order") or on a one-time basis.

21.2 **Loading and Unloading the Card**

- 21.2.1 The Prepaid Card can be loaded by means of a Prepaid Card Loading Order and/or by cash. The Bank and/or the Credit Card Company may add to or alter the method of loading the Prepaid Card according to their discretion and subject to the delivery of prior notice in accordance with the law.
- 21.2.2 Where a new Prepaid Card is issued in the Account, including in lieu of an existing Prepaid Card, which bears a different number than the number of the existing Card in the Account, then it shall be necessary to give a new Account Debit Order (Loading Standing Order) with respect to the loading of the new Card.
- 21.2.3 The Holder shall be entitled to order, by contacting the Credit Card Company, the unloading of the Prepaid Card by transferring all or part of the accumulated balance amount on the Prepaid Card at such time to the Account. In the event that the Prepaid Card is cancelled or expires, the entire accumulated balance on the Prepaid Card shall be transferred to the Account. In the event that the Prepaid Card is frozen, the accumulated amount on the Prepaid Card at such time shall be unloaded to the Account subject to the Cardholder contacting the Bank and/or the Credit Card Company and giving an order to unload such amount to the Account. In addition, in the event that the Prepaid Card is issued to an Authorized Person, the accumulated amount on the Prepaid Card at such time shall be unloaded to the Account. The Bank shall credit the Account with the accumulated amount on such date, less liabilities and/or commissions not yet debited with the Prepaid Card.

21.3 **Executing Transactions with a Prepaid Card**

- 21.3.1 The obligation to pay. The Customers undertake to pay to the Bank all the monies deriving from this agreement, including transactions, cash withdrawals, commissions, amounts mistakenly loaded and any other amount that the Bank is entitled to collect from the Prepaid Card and that has not been collected in another manner, including from the Prepaid Card, by the Bank.
- 21.3.2 The Holder hereby undertakes to use the Prepaid Card to execute any transaction/s in any amount/s of money the aggregate value of which does not exceed the amount of the accumulated balance on the Prepaid Card on the date the transaction is executed. In any event, the Holder shall not execute any transaction/s the aggregate value of which exceeds the amount prescribed by the Bank and/or the Credit Card Company, from time to time, as the maximum amount for executing transactions with the Card in the course of a period.
- 21.3.3 Where a transaction is executed in an amount that exceeds the accumulated balance on the Card (the amount that exceeds the accumulated balance on the Card shall hereinafter be referred to as – "**the amount in debt**"), the Bank and the Credit Card Company are entitled to cancel or to freeze the Prepaid Card, as set forth above, without derogating from the Cardholder's obligation to pay the amount in debt, and this by immediately loading the Prepaid Card with an amount equal to the amount in debt. The Holder is aware that where the amount in debt is not immediately covered by him, the Service Provider where the transaction was executed may contact him directly with a demand for payment.
- 21.3.4 Where the Bank and the Credit Card Company approve the execution of a transaction in any amount, they shall be entitled to regard the transaction amount as having been used by the Holder from the accumulated balance amount on the Prepaid Card, even if after the approval is given the transaction was not in fact executed for any reason whatsoever, subject to any law. The Prepaid Card shall be debited in respect of such transactions immediately or near the time of execution thereof, at the discretion of the Bank and the Credit Card Company.

- 21.3.5 In the case of a transaction above the amount of the accumulated balance on the Prepaid Card or above the maximum amount for executing transactions as set forth in clause 21.3.2 above, the Bank and the Credit Card Company are entitled to refuse to approve the execution of said transaction. Moreover, the Bank and the Credit Card Company are entitled, on reasonable grounds, to decline to approve the execution of transactions of a certain category and/or with certain Service Providers and/or to decline to approve the transaction in the manner it was requested even if the transaction amount does not deviate from the amount of the accumulated balance on the Card, including, but not limited to, a case where there is concern of misuse of the Card or the number thereof or any concern of a risk deriving from the law and/or from the customary international arrangements with respect to the Card and/or where according to the arrangements between the Bank and/or the Credit Card Company and the Service Provider, or other company dealing with the clearance of Cards, the execution or method of the execution of the transaction is not permitted. The Customers release the Bank in advance from any claim for damage, mental anguish and/or loss of profit that may be suffered by the Customers due to such reasonable refusal.
- 21.3.6 The Holder is only entitled to execute regular transactions with the Prepaid Card. The Holder is not entitled to execute an installment or credit transaction with the Prepaid Card and they shall not be approved, and the Holder shall not be provided with any credit products through the Prepaid Card. If, notwithstanding the aforesaid, the Holder executes a transaction other than a regular transaction, or due to an error such transaction is entered, the Bank and the Credit Card Company shall treat this transaction as a regular transaction.
- 21.3.7 The Bank and/or the Credit Card Company are entitled to restrict the categories of transactions permitted with the Prepaid Card, by giving notice to the Customers from time to time. The Holder is not permitted to execute ongoing transactions with the Prepaid Card through Standing Orders, unless prescribed otherwise by the Bank.
- 21.3.8 The Bank and the Credit Card Company shall be entitled, at any time, to restrict the Prepaid Card in various ways, including, restricting the Prepaid Card: by maximum and minimum amounts of the Prepaid Card Loading Order; by the amounts and method of the loading; by amounts of transactions and/or purchases; by cash withdrawal amounts; so that it cannot be used at certain Service Providers and/or for certain services; etc.
- 21.3.9 Whenever the Holder is not permitted to execute a certain transaction and notwithstanding the above such transaction has been executed, the Holder shall be liable for the payment of said transaction, and the Bank and the Credit Card Company shall be entitled to treat said transaction as a regular transaction, and this without derogating from their right to cancel or to freeze the Prepaid Card, as set forth above.
- 21.3.10 The provisions of clause 20.1 above shall apply, *mutatis mutandis*, to the use of the Prepaid Card.
- 21.3.11 A minor holding a Prepaid Card shall not be entitled to withdraw cash and/or to execute transactions through the Prepaid Card, in a total amount exceeding NIS 400 per day, or any other amount as shall be prescribed from time to time, and without derogating from any other provisions – subject to the amount of the withdrawal and/or transaction not exceeding the accumulated balance on the Prepaid Card.

21.4 **Debit Date**

The debit dates in respect of purchases executed through a Prepaid Card shall be similar to those that apply to an Immediate Debit Card, as set forth in clause 13.1 above, unless the Bank prescribes otherwise.

21.5 **Manner of Debiting the Prepaid Card**

The manner of debiting the Prepaid Card shall be as set forth in clause 16 above, *mutatis mutandis*.

22. **VARIOUS SERVICES THROUGH ATM MACHINES**

22.1 **Uses**

22.1.1 A Card that comprises features of an ATM Card enables various operations to be executed by means of ATM machines or other similar automated machines, which are or shall be installed in various branches of the Bank or of other banks or at other locations (such ATM machines or other similar automated machines and any other machine of which notice is given by the Bank - which may be used in conjunction with the Card, shall hereinafter be referred to as "**the ATMs**", and each such ATM machine or other automated machine shall hereinafter be referred to as - "**the ATM**").

22.1.2 Some ATMs will be operated for the Bank and other banks by third parties and shall also be at the disposal of the other banks, and some ATMs shall be operated also through other banks and other ATM operators (hereinafter – "**ATM operator**").

22.1.3 ATMs of other ATM operators might not allow the Customers, either from time to time or permanently, to actually execute some of the various operations that the Bank allows on its own ATMs and/or which are set out in the Operating Instructions (as defined below).

22.1.4 "**Operating Instructions**" for purposes of this clause 22 are the instructions appearing on, or adjacent to, or on the screen of the ATMs.

22.2 **Correct Use of the Card**

The Customers may execute, through the ATMs, the operations specified in the Operating Instructions, and such other additional operations of which the Bank shall give notice to the Customers from time to time, this being solely in accordance with the instructions specified in the Operating Instructions, in such aforesaid notices of the Bank and in this clause. The Customers shall be liable towards the Bank for any damage that may be incurred by the Bank in consequence of negligent or incorrect use of the ATMs by the Customers.

22.3 **Order Execution Value**

22.3.1 Orders of the Customers to execute operations, which have been entered into any ATM up to the time specified in the Operating Instructions, as defined in clause 22.1.4 above, as the time for close of business on a Business Day ("**the Operative Time**") shall be dealt with by the Bank as though they had been delivered to the relevant branch on such Business Day or on the first Business Day following the date of such entry, according to the value on the day when the orders were given, whereas orders of the Customers entered subsequent to the Operative Time as well as orders of the Customers entered into an ATM on a day that is not a Business Day (at whatever time) - shall be dealt with by the Bank as though they had been delivered to the relevant branch on the first Business Day following the date of such entry. However, the Bank shall be entitled (but not obligated) to deal with any such order as though it had been delivered on the day entered into the ATM, if it so notifies the Customers in advance.

22.3.2 The Bank shall be entitled, from time to time, to change the Operative Time by notice to be delivered to the Customers either through the Operating Instructions or by any other method.

22.4 **Depositing Checks and Cash and Executing Payments through ATM Machines**

22.4.1 At ATMs in which it is permitted, pursuant to the Operating Instructions, to deposit checks and/or cash, checks and/or cash may not be deposited where the amount thereof

exceeds the amount prescribed by the Bank from time to time for depositing checks and cash through the ATMs during any certain period of time (hereinafter - "**the maximum amount**"). The maximum amount shall be specified in the Operating Instructions.

22.4.2 The deposit of an amount exceeding the maximum amount shall be at the sole responsibility of the Customers, save that the Customers shall not be precluded from claiming or proving that they deposited any sums which exceed the maximum amount.

22.4.3 The Customers undertake at the time of depositing cash, to deposit banknotes only and not coins.

22.4.4 If the deposit is for the benefit of a third party – the Customers shall be entitled to deposit amounts to the credit of the account of the other person only after they receive his consent to the same and where the Bank may provide such other person with the identifying details of the Customers and the number of the Account, and if such person instructs the Bank at any time to repay the aforementioned amounts to the Customers – the Bank shall be entitled to credit the Account according to his instructions.

22.5 **Executing Payments through ATMs**

Payments that the Customers request to make through the ATMs shall only be made in the absence of any legal or other impediment, and on the condition that the Customers attach to their request cash or a check 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 of the sum payable, or the Customers' instruct that the Account be debited with such sum and subject to there being a sufficient balance to execute such debit. If the Bank has set a maximum amount for executing payment through an ATM, the Bank shall be entitled to accept a payment in excess of such maximum amount.

Notwithstanding the aforesaid, if the Customers instruct the Bank to execute various payments by debiting any account of the Customers without there being a sufficient balance in the Account to execute all the payments – the Bank shall be entitled (but not obligated), at its discretion, to select which of the foregoing payment/s shall be executed, as it shall deem appropriate.

22.6 **Maximum Withdrawal Amount**

The Customers undertake to withdraw through the ATMs only such monies as do not exceed the amount/s mentioned in the Operating Instructions or in the Bank's notices that shall be delivered to the Customers from time to time with respect to the maximum amount/s that the Customers are entitled to withdraw during any certain period of time, but this also only within the limit of the credit balance standing to the Customers' credit in the Account in Israeli currency or within the limit of the credit line which the Bank has authorized in the Customers' Account (if so authorized). If more than one Card has been issued, then all the terms of this sub-clause shall apply to all the Cards collectively.

22.7 **Release from Liability**

The Customers release the Bank from any liability in respect of any damage, loss, expenses and payments, which may be incurred by the Customers, either directly or indirectly, in consequence of a misunderstanding by the Customers regarding the manner of operating the ATMS or if as a result of any disruption or malfunction in the ATMs or other means of communication (provided that said disruption or malfunction is beyond the Bank's control and that the Bank has made reasonable efforts to prevent the same) or due to lack of cash in the ATMs, the Customers are unable to execute any operation or operations through the ATMs or they are unable to obtain any information or they receive information not yet updated as at the date on which it is received; however, the Customers shall not be precluded from claiming or proving that all or any of the amount recorded was not received by them. Nothing stated in this sub-clause derogates from the provisions of any law.

22.8 **Non-execution of Orders**

Without derogating from the Bank's right not to execute certain orders in accordance with the Terms of Operation, the Bank shall be entitled, at its sole discretion, in any one of the following cases, not to execute any order of the Customers or to defer the execution of said order or execute the same in part only and in such case the Bank shall notify the Customers to this effect:

22.8.1 If the order has been given otherwise than in accordance with the Bank's standard form.

22.8.2 If the order is unclear or incomprehensible to the Bank.

22.8.3 If the Bank has discovered any inconsistency between the amount entered by the Customers into the ATM and the amount/s mentioned in the document(s) to which the order relates or in any other case where the order has been given by the Customers otherwise than in accordance with the Operating Instructions.

If the order was given in regard to checks/ bills for collateral, for collection, or to be credited to any account, and such checks/ bills or any part thereof have not been attached to the order or are deficient in any way (such as: lack of endorsement/s, the first endorsement or any special endorsement is unclear, there is an inconsistency between the words and the digits, etc.) or the details of any such check or bill are inconsistent with the description in the form.

22.8.4 If the order is in regard to an operation other than as set forth in clause 22.2 above.

22.8.5 If the execution of the order involves the debiting of any Account of the Customers, and the state of such Account does not allow it to be debited.

22.8.6 If the order concerns an operation not usually executed by the Bank.

22.8.7 If the order reaches the Bank subsequent to the date prescribed for delivery of the same.

23. **THEFT OR LOSS OR MISUSE OF THE CARD**

In the case of theft or loss of the Card or an Essential Component on the Card, or misuse of the card by another person who is not entitled to the same (hereinafter each one of the cases - "**loss**") the following shall apply -

23.1 **Notice**

The Customers shall notify the Credit Card Company of the loss immediately after learning of such, in any manner as the Bank and the Credit Card Company shall advise the Customers from time to time (hereinafter - "**the notice**"). If notice is delivered other than in writing, the Customers shall also give written notice of said loss to the Credit Card Company within a reasonable time. In the notice the Customers shall provide the necessary details regarding the circumstances of the loss and details of the damage sustained by the Customers and they shall also take any reasonable step to assist in the recovery of the Card.

23.2 **Limitation of Liability for Misuse**

Subject to the provisions of the law, after the notice has been given, the Customers shall not be liable for any misuse of the Card made subsequent to the delivery of the notice.

23.3 The Bank shall be permitted to debit the Account in respect of uses made with the Card during the period from the date when the Customers or the Cardholder learned of the loss until the date of delivery of the notice, by the lower of the following two amounts:

23.3.1 A fixed amount of NIS 75 plus NIS 30 for each day that elapsed from the date when the Customers or the Cardholder learned of the loss until the date of delivery of the notice; notwithstanding the aforesaid, if the notice was delivered within 30 days of the day when

misuse was first made of the Card, the debit amount shall not exceed NIS 450, or any other amount prescribed by law;

23.3.2 The amounts of the transactions or the withdrawals actually executed.

23.4 The amounts designated in clause 23.3 above were prescribed by law and if they are modified by decree of the Minister of Justice, which shall be published in *Reshumot* [the Official Gazette], the modification shall also apply with respect to clause 23.3 above, with no need for prior notice.

23.5 The limitation of liability set forth in clause 23.3 above shall not apply, and the Bank shall debit the Account in respect of any use made with the Card prior to receiving the notice, and this where the misuse of the Card is made after the Customers or the Cardholder have entrusted the Card or an Essential Component on the Card to another person, and all whether or not the use is made with the knowledge of the Customers or the Cardholder, as applicable. However, the provisions of this sub-clause shall not apply if one of the following hold true:

23.5.1 The Card or the Essential Component on the Card has been delivered by the Customers or by the Cardholder to another person, save delivery in reasonable circumstances for safekeeping purposes only and save entrusting the Card to a Service Provider for the sake of giving a payment order through said Service Provider.

23.5.2 The misuse is made after the Card or the Essential Component on the Card entrusted to the other person has been lost by or stolen from said person.

23.6 If the Customers or the Cardholder acted with intent to defraud, the Customers shall be liable for any misuse and the limitation of liability as set forth in this clause 23 above shall not apply to them.

23.7 The Bank and the Credit Card Company shall be entitled to demand that the Customers give notice of the loss to the police and provide them with additional details as they shall deem appropriate.

23.8 All the aforesaid in this clause is subject to the provisions of the law and to any change that shall occur therein, if any.

24. **LIABILITY FOR DEFECTS IN EXECUTING PAYMENT OPERATIONS**

24.1 The Bank and the Credit Card Company shall not be liable for any damage or expense incurred, if any, by Customers and/or by any third party, due to a defect in executing payment operations, which has been incurred in consequence of an act or omission of the Customers and/or anyone acting on behalf of the Customers and/or another payment service provider.

24.2 A payment operation executed based on a unique payee identification code that the Customers delivered to the Bank and/or to the Credit Card Company, whether delivered alone or delivered with additional details, shall be deemed an operation executed as required for the purpose of identifying the payee, and the Bank and the Credit Card Company shall not bear any liability for damage that might be incurred by the Customers and the Customer shall compensate and indemnify the Bank and the Credit Card Company in respect of any damage, loss and expense, of any kind, whether direct or indirect, whether foreseen or unforeseen, which is incurred by the Bank and/or the Credit Card Company as a result of a demand, allegation or claim of any third party, in consequence of the non-execution of a payment operation or due to a defect in the execution of the same, and all provided that such non-execution or defect were incurred due to the reliance of the Bank and the Credit Card Company on an incorrect unique identification code that the Customers delivered to the Bank and/or to the Credit Card Company.

25. **PERIODIC ITEMIZED STATEMENTS**

The Credit Card Company shall send or deliver to the Customers at least once a month, in any manner or through an ATM Machine, as well as by e-mail, the Bank's website or such other means as shall be permitted by law, a statement itemizing the transactions effected through a Debit Card, and in respect of which the Account has been debited (hereinabove and hereinafter - "**the Periodic Itemized Statement**"). Where the Customers request in advance and in writing that a statement be sent to them detailing transactions that were effected with overseas Service Providers, they shall be entitled to receive such notice by one of the means offered to them by the Bank, up to seventeen (17) days after the Debit Date in respect of the aforementioned transactions. Any such notice that is delivered to the Customers through an ATM Machine or by other means shall be deemed to have been delivered to the Customers by the Bank.

26. **RECORDS**

- 26.1 The records in the books of the Bank and the Credit Card Company, and copies of such records or of any extract of such records or of the last page of such records shall constitute admissible evidence for proving the truth of their contents.
- 26.2 Without derogating from the aforesaid in clause 17 above, the Customers shall examine each copy of an account, each periodic or other itemization, including through communication channels, each notice and each letter that is sent or delivered to them in any manner by the Bank or the Credit Card Company, and shall furnish their observations (if any) with respect to the same in writing to the Bank and to the Credit Card Company within 30 (thirty) days of the date they are delivered or sent by the Bank or the Credit Card Company, as applicable. Copies of any account, Periodic Itemized Statements, any notice or letter delivered to the Customers through any ATM Machine or by a computer terminal, as stated, shall be deemed to have been delivered to the Customers by the Bank.

It is clarified that nothing stated in this clause derogates from or diminishes the rights of any of the parties pursuant to the law or pursuant to the provisions herein contained.

- 26.3 A written certificate of the Bank or of the Credit Card Company with regard to the interest rates, the maximum interest, the customary rate at the Bank or at the Credit Card Company, or with regard to commissions of the Bank or the Credit Card Company during the period or periods to which said certificate relates, shall serve as *prima facie* proof of their content.

27. **BANKING COMMUNICATION SERVICES**

- 27.1 The terms of the Terms of Operation shall apply to services rendered by the Bank with regard to the Card through the Bank's service channels. The terms of the Terms of Operation shall apply, *mutatis mutandis*, to services rendered by the Credit Card Company with regard to the Card through the Credit Card Company's service channels,
- 27.2 Operation authorizations in the various channels in connection with the Account may differ from the authorizations granted in connection with the Card. If the Customers wish to alter any of the authorizations in connection with the Card, as stated, the alteration shall be made by notice being given to the Bank by the Customers. Nothing stated derogates from the provisions of the request.
- 27.3 The 'Banking Communication Services' clause in the Terms of Operation shall also apply in regard to banking communication services rendered by the Credit Card Company. If the Customers shall wish to alter operation authorizations in the various channels given to the Credit Card Company, the alteration shall be made by notice being given to the Credit Card Company by the Customers.
- 27.4 The provisions of this clause 27 do not derogate from the provisions of the request, in the 'Enrollment to Banking Communication Services' clause.

28. **WAIVER BY A BUSINESS OF VARIOUS PROTECTIONS UNDER THE PAYMENT SERVICES LAW**

Notwithstanding everything set forth herein, if the Customer is a business with an annual sales turnover exceeding NIS 30 million or another amount to be prescribed from time to time pursuant to Section 51(b) of the Payment Services Law, the rights and protections afforded to a Customer, pursuant to the provisions of Sections 14(a), 19 and Chapter VI of the Payment Services Law shall not apply in regard to said Customer and the Customer shall not be entitled to the same.

For this purpose, "annual sales turnover" means – the amount of receipts from any source and type of the Customer received in the preceding fiscal year, in accordance with the annual financial statement of the Customer prepared with respect to said year, and if no such annual financial statement has been prepared, such annual sales turnover shall be determined in accordance with the accepted and customary procedures and rules or as shall be accepted and customary from time to time and at any time at the Bank.

In accordance with the aforesaid, if the Customer is a business as defined above, the Customer shall not be protected under the provisions of the following sections of the Payment Services Law, and this even though these protections may have been available to the Customer were it not for the above mentioned waiver: Section 14(a) of the Payment Services Law, which establishes that a Payment Service Provider shall transfer all the funds with respect to which a payment order has been given and shall not deduct a commission or any other debit therefrom; Section 19 of the Payment Services Law, which defines the liability imposed on the Customer's Payment Service Provider when executing a payment operation and establishes, *inter alia*, the (a) liability of a payer's Payment Service Provider toward the payer for executing a payment order accurately until the funds being transferred under the payment order are received by the payee's Payment Service Provider; (b) liability of the payee's Payment Service Provider toward the payee, upon such receipt of the funds, for accurately executing the transfer of said funds thereto; (c) liability of the payee's Payment Service Provider toward the payee for transferring the payment order accurately to the payer's Payment Service Provider where the payer has given a payment order through the payee or where the payee has demanded to execute a payment operation by virtue of a debit authorization; (d) liability of a Payment Service Provider toward a Customer in regard to a defect in the execution of a payment operation – ascertaining and correcting the same; (e) liability of a Payment Service Provider toward a Customer for compensation or indemnification due to any damage or expense incurred by a Customer due to such defect; Section 24 of the Payment Services Law, which limits the Customer's liability in the case of theft or loss of an essential component on a means of payment as defined in the Payment Services Law, or in the case of misuse of a means of payment by an unauthorized person, and this under the conditions specified in the Payment Services Law, up to an amount of NIS 450 or the amount of the payment operations actually executed in the course of the misuse, whichever is lower; Section 25 of the Payment Services Law that limits the Customer's liability in respect of misuse made with a means of payment during the freeze period of a means of payment, or subsequent to the termination of the payment services contract or the return of the means of payment to the Payment Service Provider; Section 26 of the Payment Services Law, which qualifies the limitation of liability due to misuse of a means of payment in the event that the Customer has acted with intent to defraud; Section 27 of the Payment Services Law, which instructs the payer's Payment Service Provider to repay to the Customer amounts with which he was debited due to misuse of the means of payment, beyond the amounts prescribed in the limitation of liability; Section 28 of the Payment Services Law, which instructs the payer's Payment Service Provider to repay to the Customer the difference between the amount by which he was debited for a payment operation executed pursuant to an order given through the

payee, and the amount that the Customer notified he had undertaken, and this in the event of an unauthorized increase of the debit amount; Section 29 of the Payment Services Law, which instructs the payer's Payment Service Provider to repay to the Customer a debit amount or the difference between an unauthorized debit amount and the amount undertaken by the Customer, and this in the event that the Customer has been debited due to a payment transaction with an incomplete document, and after the Customer has given notice that he is not the one who executed the payment transaction or that the debit amount was increased without the Customer's authorization; Section 30 of the Payment Services Law, which establishes that a release or limitation of the Customer's liability due to misuse of a means of payment shall not be conditioned on the delivery of details to the Payment Service Provider concerning the circumstances of a theft or loss of an essential component on a means of payment, as defined in the Payment Services Law, or in the case of misuse of a means of payment by an unauthorized person; Section 31 of the Payment Services Law, which establishes that the Customer shall have no liability on account of misuse of a means of payment, save the liability specified in Chapter VI of the Payment Services Law; Section 32 of the Payment Services Law, which establishes that a Payment Service Provider is not entitled to debit the payee Customer on account of any amount repaid to the payer Customer pursuant to Section 27 of the Payment Services Law or on account of other expenses incurred by it in consequence thereof, and where one of the conditions listed in the section holds true. The section further establishes that where the payee's Payment Service Provider is entitled to debit the payee Customer on account of an amount repaid to it under Section 27 of the Payment Services Law, or on account of other expenses incurred by it in consequence thereof, the debit shall not be made by way of offsetting funds to which the payee Customer is entitled, except with the payee's consent, which is to be given in writing.

PART III - CREDIT

29. CREDIT TRACKS, INTERESTS ON CREDIT CARDS AND INDEX / FOREIGN CURRENCY LINKED TRANSACTIONS

29.1 General

The Bank enables credits to be received through the Credit Card on the various tracks which are or shall be customary from time to time with respect to the various Cards or at the Credit Card Company, and the Customers confirm that any credit that is requested through the Card shall be governed by the terms specified below, depending on the type of track (hereinafter: "**the Credit on a Card**" or "**the Credits on a Card**" or "**the Credit Track**"), the additional terms that shall be agreed at the time of the request to receive Credit on a Card, and additional terms that shall be included in a supplemental document that the Customers shall receive in connection with the Credit on a Card. The Bank is the creditor of the Credit on a Card. The Bank is not required to extend all types of credit on the Card and may extend different types of credit for different Cards and alter and update the credit tracks, as well as add or cancel credit tracks, from time to time. In addition, the Bank may cease extending credits on any type of Card at any time. The Customers agree that the detailing of the additional terms in the Periodic Itemized Statements, or in any other notice that is sent to the Customers, which shall be sent by the Credit Card Company, shall be deemed to be a supplemental document with respect to the Credit on a Card. In respect of the extension and management of the Credits, commissions shall be charged as set forth in clause 34 below, and this in addition to the interest borne by the credit.

When receiving Credit on a Card, the Debit Dates and terms by which the Customers shall be debited are unrelated to the manner of execution of the payment to the Service Provider by the Bank and the Credit Card Company and the Bank and the Credit Card Company shall be entitled to pay the Service Provider or the banking entity that shall pay the Service Provider in accordance

with the arrangements existing between them at such time and independently of the manner of debiting in respect of the credit track.

29.2 **Definitions**

In this clause, the following terms shall have the meaning designated beside them -

29.2.1 **"Request to receive Credit on a Card"** – any request presented to the Bank and to the Credit Card Company in writing or through a Voucher or by telephone or fax or e-mail or an ATM or through the Bank's website or automated dialing system ("IVR") or by any other means as shall be customary at the Bank and/or through the Credit Card Company and/or in accordance with the specific authorization of the Customers in a card issuance request.

29.2.2 **"Request to Implement" or "Enrollment Request"** - any request to receive Credit on a Card and/or to apply the Credit Track of any Card pursuant to this document to any debits through the Card, which request has been presented to the Bank also other than through a Voucher, and including through ATMs, by telephone, fax, through the website and other means of communication as determined by the Bank in this respect and/or through the Credit Card Company and/or in accordance with the specific authorization of the Customers in a card issuance request.

29.2.3 **"Request to Implement for Overseas Vouchers"** – a Request to Implement for applying any Credit Track pursuant to this document to Overseas Vouchers.

29.2.4 **"Total Amount" or "Aggregate Debit Amount"** - the total debits on the Card, which are to be paid on any Monthly Debit Date, including in respect of loans and credits, the interests and commissions relating thereto, as well as cash withdrawal amounts overseas and purchases overseas (including purchases from businesses domiciled overseas) and the commissions and interests thereon, the debit date of which falls on the same Monthly Debit Date.

29.2.5 **Interests:**

- (1) **"Prime Interest"** – the basic interest with respect to debit balances in current accounts as shall be determined from time to time by the Bank.
- (2) **"Fixed Interest"** – interest at a fixed rate that shall be determined on the date the transaction is executed, based on the Prime Interest as on the date the transaction is executed, plus a positive or negative margin, for the duration of the credit period. The interest is calculated in respect of the period commencing on the date the credit is extended, as set in the Credit Card Company's systems, and until its actual payment, based on a 360 day year and a 30 day month (Spitzer method).
- (3) **"Prime Based Variable Interest"** - prime based variable interest the rate of which is based on the Prime Interest rate known on the date the transaction is executed, plus a positive or negative margin. A change in the Prime Interest shall cause a change in each one of the aforementioned interests by the same number of percentage points by which the Prime Interest has changed in the course of the credit period.
- (4) **"Bridging Interest"** - interest in respect of an interim period until the credit amount is extended in the chosen track. The bridging interest period commences on the date the demand for payment of a Voucher arrives and terminates on the Monthly Debit Date falling immediately thereafter. At the end of this period, the amount of the credit shall be extended as credit on the chosen track. The bridging interest is fixed interest, unless the Bank notifies otherwise.

29.2.6 **"Regular Voucher"** – any Voucher issued in respect of a transaction executed in Israel in Israeli currency and excluding a Voucher in respect of cash withdrawals or a Credit Voucher or an Overseas Voucher.

29.3 **Credit Tracks**

It is clarified that the Bank shall be entitled to add and/or to modify and/or to cancel credit tracks, in whole or in part, at its discretion. Such addition and/or modification and/or cancellation shall enter into effect as of the date the Bank's notice concerning the addition and/or modification and/or cancellation is given, or on a later date as shall be set by notice.

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

With respect to the "Overseas Installment Credit", "Loan Credit" and "Deferment of Overseas Debits to a Debit Date" credit tracks, which are detailed below, the amount of the credit, on its chosen credit track, shall bear bridging interest in respect of the period from the date the demand for payment of a Voucher arrives and until the Monthly Debit Date falling immediately thereafter, and from said date on the balance of the credit amount shall bear interest in accordance with the chosen track.

29.3.1 **"30 Plus Credit"** – as well as additional credits of which the Bank shall give notice from time to time, is **credit bearing fixed 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. Under this track, the Account shall be debited with the deferred debit amount due from the Customers on this Credit Track plus interest calculated according to 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.

29.3.2 **"Installment Credit", "Overseas Installment Credit"**, as well as additional credits of which the Bank shall give notice from time to time, is **credit bearing fixed interest**, at a rate, with the number of installments and in the amount as shall be determined by the Bank from time to time.

Under this track, Credit on a Card in respect of which a request to receive Credit on a Card has been submitted shall be spread into installments including interest. The minimum number of installments on this Credit Track is 3 and the maximum number of installments on this Credit Track is 36 on an Installment Credit Track or 12 on an Overseas Installment Credit Track, or any other number of maximum installments as shall be determined by the Bank.

Credit maturity - on this track, the Account shall be debited in respect of the amounts due or as shall be due from the Customers pursuant to the Credit Track, on the Monthly Debit Dates, with equal and consecutive monthly amounts of principal plus interest in a number equal to the number of installments requested by the Customers, provided that if the number or amount of the installments is inconsistent with the customary number and amount with respect to Installment Credit, the Bank may set the number of installments and the amount of each installment in such manner that is consistent with the practice at the time and that shall be as consistent as possible with the number and amount of the installments requested. The Bank is not required to give special notice concerning the correction of the number of installments and/or correction of the amount of any installment, provided that the amount and number of the installments in respect of the credit shall appear in the Periodic Itemized Statement that shall be sent immediately after the date such credit is extended or in any other notice that shall be sent to the Customers by the Bank, subject to any law.

29.3.3 **"Fixed Monthly Debit Track"** – as well as additional credits of which the Bank shall give notice from time to time, is **credit bearing Prime Based Variable Interest**, under which the Cardholder may set in advance the amount to be paid by him each month on the Periodic Debit Date (hereinafter - **"the Fixed Debit Amount"**) on account of the total sum due on said Monthly Debit Date (hereinafter - **"the Original Debit Date"**). The Bank may determine that the Fixed Debit Amount shall not be less than a certain amount that shall be set by the Bank from time to time as being the Minimum Debit Amount, or than a certain percentage of the Card Credit Line amount (the Bank shall be entitled to round to the nearest multiple of NIS 10), or than a certain percentage of the Monthly Debit Amount, as the Bank shall determine from time to time (the three amounts specified above shall hereinafter be referred to, jointly and severally, as **"the Minimum Debit Amount"**). Where the Bank has set a Minimum Debit Amount, as stated, the Fixed Debit Amount shall be the higher of the amount set as aforesaid by the Cardholder or the Minimum Debit Amount.

The Bank shall be entitled to notify the Customers from time to time of a different amount and/or of a different method of rounding up the amounts.

Where the Card Credit Line is increased or reduced for whatsoever reason, the Bank shall be entitled (but not obligated) to give notice of the increase / reduction of the Fixed Debit Amount corresponding to the increase / reduction of the Minimum Debit Amount.

The balance of the total amount after payment of the Fixed Debit Amount shall be extended as new credit **bearing Prime Based Variable Interest** as set forth above, for the period commencing from the Original Debit Date and terminating on the next following Monthly Debit Date. On the next following Monthly Debit Date the Customers shall again be debited with the Fixed Debit Amount and the balance of the total amount as at that date shall be extended as credit as above bearing interest as above and so on and so forth, until the cancellation of the Request to Implement or until the cancellation date of the Card Credit Line and/or cancellation of this track and/or cancellation of the Card. Without derogating from the aforesaid, the Bank shall be entitled to notify the Customers that even in the event of cancellation of the Request to Implement and/or of the Card Credit Line and/or of the Card the Customers shall continue to be debited as was the case up to said time on the **"Fixed Monthly Debit Track"**.

In any event, the balance of the total amount after payment of the Fixed Debit Amount shall not be less than the amount as shall be notified by the Bank (hereinafter: **"the Minimum Credit Amount"**) and shall not exceed the unutilized Card Credit Limit. If on any Monthly Debit Date the balance of the total amount, after payment of the Fixed Debit Amount, proves to be less than the Minimum Credit Amount (hereinafter - **"the lower amount"**) or greater than the Card Credit Line (hereinafter - **"the excess amount"**), the lower amount or the excess amount, as applicable, shall be debited to the Account on the same Monthly Debit Date as the Fixed Debit Amount.

The Bank shall be entitled from time to time to change the addition or separation of the lower amount or the excess amount to or from the Fixed Debit Amount, and shall notify the Customers to this effect.

29.3.4 **"Loan Credit"** – as well as additional credits of which the Bank shall give notice from time to time is credit **bearing fixed interest**, under which credit can be obtained that is to be paid in a number of installments that shall not be less than 3 nor more than 36 or any other minimum and/or maximum number of installments as shall be determined by the Bank.

29.3.5 **"Deferment of Overseas Debits to a Debit Date"** is **credit bearing fixed interest**. On this track, the Immediate Debit in respect of Overseas Vouchers shall be deferred to the next Monthly Debit Date, together with interest to be calculated on a daily basis, in respect

of the number of days that have elapsed from the date the Overseas Voucher is entered at the Credit Card Company to the next Monthly Debit Date after the Overseas Voucher is so entered. On the Monthly Debit Date near the date such transaction is entered, the Account shall be debited with the transaction amount, plus such aforesaid interest.

29.4 Total Debit/s on the Card

The total amount of the unpaid credits on a Card that have been extended to the Customers by the Bank, together with the balance of installments not yet paid to the various Service Providers in respect of purchases made by the Customers, shall at no time exceed the Card Credit Line, unless prescribed otherwise by the Bank.

The foregoing does not derogate from the Bank's right to honor Vouchers that deviate from the Card Credit Line, at the discretion of the Bank and subject to the provisions of the law. The Customers undertake to resolve any such deviation immediately.

29.5 Manner of Request and Application of Credit Tracks

29.5.1 Direct requests to the Bank

Credits that are extended to the Customers pursuant to a request submitted to the Bank by the Customers to receive Credit on a Card, including a request submitted through the Credit Card Company, as well as a request submitted through ATMs and various means of communication, as shall be instituted by the Bank from time to time, shall be extended to the Customers on the tracks and on the terms as shall be determined from time to time by the Bank with respect to the Customers' right to receive the same, the dates on which they are to be extended, the minimum and maximum credit amounts, the commission for processing the request and other commissions as shall be customary from time to time and additional terms as shall be determined by the Bank and notified to the Customers. The requests may relate to credits extended to the Customers to the Account's credit regardless of the uses of the Card, as well as credits for the purpose of spreading / increasing debits in respect of uses of the Card, either prior or subsequent to the Debit Date.

29.5.2 Requests at the time of executing transactions – with no need for prior enrollment – Credit Vouchers

Credits for the purpose of executing purchases in Israel shall be extended pursuant to requests that shall be made through Credit Vouchers at the time of executing transactions with Service Providers and they shall be governed by the terms prescribed for the various types of credit in accordance with the credit elected at the time of executing the transaction and noted on the Credit Voucher (for example: "Installment Credit", or "30 Plus Credit"). A Credit Voucher that does not note a specific Credit Track that is consistent with the Credit Tracks now and/or hereafter customary at the Bank shall be deemed a request Voucher for credit on one of the Credit Tracks now and/or hereafter customary, as stated, and that is consistent with the request or Regular Voucher – at the Bank's sole discretion.

29.6 Manner and Date of Extending the Credit

29.6.1 The Credit shall be extended to the credit of the Account or shall be applied in discharging the consideration of the Voucher, as applicable. The date the Credit is extended shall be the date the demand for payment of the Voucher arrives. If the Customers have requested credit on any track, and the date the credit is received is not the Monthly Debit Date, then from such date until the Monthly Debit Date falling immediately thereafter, the credit shall bear bridging interest and thereafter the remaining balance of the credit amount shall bear interest in accordance with the chosen Credit Track.

29.6.2 Whenever a Credit Voucher is presented to the Bank bearing the word "Installment" (hereinafter - "**Installment Voucher**") or "30 Plus Credit" (hereinafter - "**Plus Voucher**") or the name of a similar Credit Track existing at other credit card companies, or the name of any Credit Track that shall replace or modify one of the aforementioned tracks, or an Overseas Voucher, where the Customers have submitted a Request to Implement for Overseas Vouchers - the foregoing shall be deemed to be a request of the Customers to receive credit from the Bank on the track noted. In respect of Vouchers denominated in Israeli currency the credit shall be extended, on the chosen Credit Track, according to the Shekel amount denominated on the Voucher and in respect of Overseas Vouchers denominated in foreign currency, in the amount in NIS required to purchase the amount denominated on the Voucher according to the prevailing rate at the Credit Card Company on the date the demand for payment of the Voucher arrives (hereinafter - "**the Credit Amount**").

29.7 **Submission, modification and cancellation of Requests to Implement**

Unless stated otherwise, each Request to Implement, as well as each request to cancel or modify a Request to Implement, including modification of a Credit Track and modification of amounts, must be received by the Credit Card Company up to five business days prior to the Monthly Debit Date and shall take effect on said date. If the notice is late in arriving, the implementation thereof shall be deferred until the next Monthly Debit Date thereafter. Without prejudice to the provisions of clause 34 below, the Bank and the Credit Card Company may collect a commission for each request according to the tariff and on the dates as per clause 34 below.

29.8 **Prepayment of Credit / Credits on a Card**

29.8.1 **Full and partial prepayment.** The Customers shall be entitled to prepay the entire outstanding balance of the credit categories "Installment Credit", "Overseas Installment Credit", "Fixed Monthly Debit Track" and "Loan Credit" or part of such balance in regard to the Credit Categories "Fixed Monthly Debit Track" and "Loan Credit", or cancel a Request to Implement for a Fixed Monthly Debit Track on the Monthly Debit Date falling after the Customer's order is received by the Bank, provided that such order is received by the Credit Card Company 5 business days prior to said date.

Immediate payment. The Customers shall be entitled to immediately pay the entire outstanding balance of the credit categories "Installment Credit", "Overseas Installment Credit", "Deferment of Overseas Debits to a Debit Date", "Fixed Monthly Debit Track" and "Loan Credit" and "30 Plus Credit", or part of such balance in regard to the credit categories "Fixed Monthly Debit Track" and "Loan Credit". Such immediate payment shall be made up to 5 business days after the Customer's order is received by the Bank.

To avoid doubt, it is clarified that the Bank may modify the list of Credit Tracks that are open to full or partial prepayment or immediate payment.

29.8.2 The Customer's right to prepayment or immediate payment is subject to the payment of commissions pursuant to clause 34 below and to additional terms that shall be customary at the Bank at the time of executing any such prepayment. If on the date of executing the prepayment there shall be any provision of law (including directives of the Bank of Israel) that limits the level of the prepayment commissions that the Bank is entitled to demand, or that prescribes other conditions for executing the prepayment – the prepayment shall be made subject to the provisions of said law, and the Bank shall be entitled to stipulate the execution of the prepayment on the payment of the highest rate/s and/or amount/s of the prepayment commissions permitted by law on the date of execution of the prepayment, for the relevant type of credit.

29.8.3 In any other case, the Bank shall be entitled to stipulate the prepayment on the payment of prepayment commissions and additional payments and on other preconditions, which

at the Bank's discretion, reasonably reflect the damage that it shall sustain as a result of executing the prepayment at said time.

29.8.4 It is hereby agreed that Section 13(b) of the Pledge Law, 5727-1967 and any other section that supersedes the same, shall not apply to the prepayment.

29.9 General Provisions for Credit Tracks

29.9.1 Extension / non-extension of Credit

- (1) The Bank is not obligated to grant a credit request and/or enrollment request for any track and it may demand the credits for immediate payment in each one or more of the cases designated in clause 12 above.
- (2) Without derogating from the general purport of the aforesaid, where the credit has been requested through a Credit Voucher, the Bank shall be entitled, but not obligated, to decline to extend the credit also in the following cases:
 - (a) The requested credit amount, or the requested credit amount together with the balance of the credit that the Customers have already received through the Card, either from the Bank or from others, exceeds the Card Credit Line.
 - (b) The requested credit amount is lower or higher than the minimum or maximum credit amounts, as applicable, set by the Bank, or the number of installments differs from the number of installments set with regard to the Credit Track by the Bank and at its sole discretion.
 - (c) The credit request was submitted to the Bank after the Bank had notified the Customers or all the Cardholders or certain classes or groups of Cardholders that the Card Credit Line has been cancelled or that the type of Credit Track requested has been cancelled, or that the Cardholders' right to use the Card has been revoked.
 - (d) Where the Credit Voucher has been effected with a Service Provider that is not authorized to accept Credit Vouchers.
 - (e) In each one or more of the cases designated in clause 12 above.
- (3) Where the Bank has refused to extend to the Customers credit that has been requested through a Credit Voucher, as set forth above, the Bank shall be entitled, but not obligated, to extend the same as credit for a period commencing on the Monthly Debit Date and terminating on the next Monthly Debit Date thereafter. The interest rate with respect to such credit shall be Prime Rate Variable Interest, as shall apply at such time.

29.9.2 Calculation of the amounts by the Credit Card Company

So long as the Bank and the Credit Card Company have not decided otherwise, the calculation of the amounts that shall be due to the Bank from the Customers from time to time in respect of the credit and the interest thereon shall be made by the Credit Card Company. The Customers undertake to promptly notify the Credit Card Company and the Bank of any objection or protest that the Customers shall have, if any, in relation to any debit notice and/or bank statement and/or Periodic Itemized Statements and/or other document that the Customer shall receive from the Credit Card Company and/or from the Bank in connection with the credit.

29.9.3 Payment not contingent on the supply and/or quality of the Asset

Without derogating from the aforesaid in clauses 9.1 – 9.2 above, it is hereby clarified that the Bank and the Credit Card Company shall not bear any liability in relation to the

supply, quantity, quality of standard of any Assets ordered and purchased by the Customers with the Card. The Customers are and shall be liable for the full and timely payment of all the installments in respect of the credit, regardless and independent of the purchase transaction of the Asset. The aforesaid, with regard to the debit, is subject to the provisions of Section 17 of the Law.

29.10 **Changing and Updating the Credit Tracks and Interests**

The Bank may set different interests (including margins that differ from the Prime Interest) according to the type of Card and according to the Credit Track or according to other data related to the Customers. The Periodic Itemized Statements shall contain the aforementioned interest rates updated as at the time they are sent, however, if in the time period between the Periodic Itemized Statements the Bank shall give notice of a change in the Prime Interest, from said date on the aforementioned interest rates shall be changed by the same number of percentage points by which the Prime Interest has changed.

Without derogating from the aforesaid, the Bank shall be permitted to change the aforementioned interest rates also regardless of a change in the Prime Interest, by notice in accordance with the provisions of any law (including by notice in the Periodic Itemized Statements). The change shall apply with respect to the credits extended subsequent to the notice of the change.

The Bank's notice regarding a change in the Prime Interest, even if it does not expressly refer to Cardholders, shall be deemed notice of a change in each one of the prime based variable interests by the same number of percentage points by which the Prime Interest has changed.

30. **ARREARS INTEREST**

30.1 Any amount that is or shall hereafter be due to the Bank pursuant to this document or pursuant to any request to receive credit, which has not been paid by the Customers on the date set or as shall hereafter be set for payment of the same hereunder or under a request to receive credit or not paid upon the Bank's first demand (made pursuant to the terms contained herein) shall bear arrears interest as specified in the Terms of Operation.

30.2 For the avoidance of doubt, it is hereby clarified that the Bank's right to arrears interest, as set forth above, including the actual collection of such interest, shall not derogate from the Bank's right to take (or continue taking) any measures in order to collect any amount unpaid to it by the Customers in a timely manner or upon its such demand.

31. **ACCRUAL OF INTEREST**

Any interest mentioned herein, which is due from the Customers to the Bank, including maximum and arrears interest, which is compounded each month or as customary at the Bank from time to time during any other period in respect of which the accrual of interest is permitted by law, shall also bear interest at the same rate.

32. **PROVISIONS GOVERNING CUSTOMER CREDIT IN ACCORDANCE WITH THE FAIR CREDIT LAW, 5753-1993**

Notwithstanding the provisions contained herein, credit which is subject to the Fair Credit Law, 5753-1993, which is extended to a borrower who is subject to such law, shall be governed by the provisions and terms specified in the specific credit documents, insofar as there is any conflict between such documents and this document.

PART IV – GENERAL PROVISIONS

33. **WAIVER OF CONFIDENTIALITY, PROTECTION OF PRIVACY AND INFORMATION PROCESSING**

- 33.1 In sections 33.2-33.7 below, "the **Bank**" means the Bank and/or the credit card company.
- 33.2 The Customers are aware that for the purpose of all the services rendered by the Bank or an entity on its behalf, including in connection with the issue and operation of the Card, the Bank shall be permitted to collect and to process personal information regarding the Customers' operations through the various cards and platforms that it shall make available to the Customers, including information on the Customers' activity in the online and digital channels (and particularly sites and internet and mobile apps). Moreover, the Customers are and/or shall be required to provide to the Bank, from time to time, personal identification details, as well as additional details, data and attributes about them. Providing some of the personal information is required by law and providing other personal information to the Bank is done on a voluntary basis and with the consent of the Customers and is required in connection with obtaining various services from the Bank. The Customers are aware that they will not be able to receive the services under this letter if they elect not to provide their personal information. The Customers confirm and undertake that the identification details, as well as the additional details, that they have provided to the Bank are complete, correct and accurate and that if any change occurs hereafter in any of the identification details and/or the additional details, as set forth above, they undertake to give notice to this effect to the Bank as soon as possible.
- 33.3 The Bank shall be entitled to contact, in accordance with any law, any relevant entity that holds information about the customers, in order to obtain information required by the Bank for the purpose of providing services in connection with the card and its operation, including information regarding any card issued to customers in the past, or any other detail that the Bank believes is relevant to making a decision regarding the issuance of the card and the terms under which it will be issued, and the Customers authorize any such entity to provide the information to the Bank.
- 33.4 The Customers confirm that they are aware that the information provided by them to the Bank and information concerning the operations executed through the Card shall be forwarded, as required, for the purposes set forth herein, to other Credit Card Companies and other entities that render services associated with Debit Cards, insofar as such shall be necessary for the purposes set forth herein, including the operation of the Card, clearing of transactions and/or debits executed through such Card. In addition, the Bank may provide information concerning the Customers, including information subject to a confidentiality obligation and/or privacy protection obligation, to third parties (and including entities belonging to the Bank Group), pursuant to any law and/or insofar as shall be required for the sake of the Bank's observance of the requirements of any law, including compliance with the Proper Conduct of Banking Business Directives of the Supervisor of Banks and in connection with rendering the service. Moreover, the Customers agree that the Bank shall provide information concerning them to any entity to which the Customers authorize the Bank, in advance and in writing, to provide such information.
- 33.5 Additional details and data concerning the Customers may be collected and compiled in the Bank's databases from various legal sources of information, either internal or external and/or public and they shall be cross-referenced with the Bank's database in order to verify details concerning the Customers, for the sake of assessing risks, marketing and protecting legitimate interests of the Bank.
- 33.6 The information to be collected concerning the Customers through the various channels and the details provided from time to time by the Customers or concerning the Customers to the Bank or collected by it, are required by it for the purpose of fulfilling its duties, pursuant to any law; in connection with rendering service to the Customers, making decisions with regard to the rendering of various services, the scope, manner of delivery and improvement thereof, including for the purpose of assessment and rating of credit and risks; making a decision with regard to the issuance and renewal (or cancellation) of the Card, from time to time and/or services related to the Card, such as determining the Card Credit Line and the terms thereof; tailoring the Bank's services to the needs and attributes of its Customers, as well as operational, marketing, research

and statistical purposes, including processing, analysis and profiling of all the available information concerning the Customers by the Bank, as well as for the sake of direct mailing of updates, offers and benefits, insofar as required in connection with the above purposes.

- 33.7 The Bank's use of Customer information and data as specified in this section 33 shall be made solely for the purpose of engaging in the areas of operation permitted to a banking corporation.
- 33.8 The Customers agree that the Bank shall be entitled, at any time, to provide the credit card company, at its request, and the credit card company shall be entitled, at any time, to provide the Bank, at its request, with any information relating to the account and/or the card and any other information that has reached or will reach the Bank or the credit card company regarding the Customers.
- 33.9 The personal information that will be provided to the Bank and/or the credit card company will be held in databases controlled by the Bank or the credit card company, as the case may be, and will be processed by them or on their behalf in Israel and abroad. In accordance with the provisions of the law, Customers are aware that they may request to review the personal information held in the databases of the Bank and the credit card company and may request that the information be amended in certain circumstances, through the methods of communication specified on the Bank website or the credit card company's website, as the case may be.
- 33.10 The provisions of this section 33 do not detract from any other consent given by Customers within the framework of their communication with the Bank or the credit card company, as the case may be. In general, Customers are aware that the provisions of section 31 of the General Terms and Conditions for Account Management will apply to the personal information that will be provided to the Bank or collected by it pursuant to this document. When using the online services offered by the Bank, the privacy policy for online services available on the Bank website will also be applicable. The provisions of the credit card company's privacy policy, which is available on the credit card company website, will apply to the personal information that will be provided to the Bank or collected by it pursuant to this document.

34. **COMMISSIONS, EXPENSES AND ADDITIONAL DEBITS**

- 34.1 The Bank shall be entitled to debit the Account in Israeli currency with commissions of all kinds related to the Card, including in relation to operations and/or services associated with the Card, according to the prevailing tariff at the Bank from time to time and on the dates and terms as shall be customary at the Bank from time to time. The Bank shall be entitled to defer the date for collecting the commission or a part thereof and such deferment shall not constitute a waiver of its right to collect the same. The commission tariff shall be available to the Customers at the Bank's branches for inspection.
- 34.2 Without derogating from the general purport of the aforesaid in clause 34.1, the Bank shall be entitled to collect commissions for a period that shall commence on such date as shall be set in the commission tariff, which may be earlier or later than the date of delivery of the Card, as well as in respect of a date or period subsequent to the cancellation and/or freezing of the Card, and this with respect to an operation or operations that the Bank and/or the Credit Card Company are required to execute, whether in respect of payments arising from transactions executed prior to the cancellation and/or blocking of the Card or for any other reason.
- 34.3 Where the Credit Card Company issues a new Card to the Customers in substitution for a Card that has been lost, stolen or destroyed, the Credit Card Company shall be entitled to debit the Account in Israeli currency with commissions in respect of the issuance of the new Card, save if the loss, theft or destruction were caused through the fault of the Credit Card Company.
- 34.4 The Bank shall be entitled to debit the Account with any tax, duty or other obligatory payment of any kind that shall apply in consequence of the use of the Card.

34.5 The Account shall also be debited in respect of operations executed by the Bank and/or the Credit Card Company to enforce rights hereunder and/or resulting from its involvement in legal proceedings associated with the Card, including by reason of court orders or decisions obtained in connection with the Card and including in respect of collection expenses incurred by the Bank due to a delay or a failure to honor the Customers' undertakings toward the Bank and/or the Credit Card Company, reasonable legal expenses, expenses in respect of requests for authorizations to execute transactions (through a Credit Card), as well as expenses arising from sending notices, telefaxes, telephone calls, faxes and e-mail. Nothing stated in this sub-clause derogates from the provisions of any law.

35. **BENEFITS**

35.1 The Bank may maintain arrangements pursuant to this document, pertaining to the enrollment of Customers in various benefit programs, insofar as existing at the Bank (such as, a "points" program, merchant discounts, international travel insurance, loyalty clubs, etc.). The Bank may prescribe what types of cards shall confer such benefits and according to what criteria, at its sole discretion, and to enroll Customers in such benefit programs and to deliver to them notice to this effect. The Bank shall publish, from time to time, what program arrangements it has prescribed. The Bank shall be entitled to terminate any benefit program (unless a defined period of time has been set for a benefit) or alter the same in any manner, in relation to all the Customers or in regard to certain Customers, and this at its sole discretion and with no need for prior notice (subject to any law).

35.2 Insofar as the Card is also used as a loyalty club card, the Customers shall be entitled to cancel their membership in the loyalty club, at any time and for any reason whatsoever, by delivering written notice to the Bank and to the loyalty club. The Bank and/or the loyalty club shall be entitled to cancel the membership of any of the Customers in the loyalty club at their discretion, at any time and for any reason whatsoever, and including where the Customers' eligibility to be a member in the loyalty club has expired and/or where the agreement between the Bank and the loyalty club is terminated. In such cases, legal notice shall be given to Customers and the Card shall continue to be used as a Debit Card only, in accordance with this document (without affiliation with the loyalty club and without receiving benefits within the framework of the loyalty club). When the membership in a flight rewards program of the Bank is cancelled, for any reason whatsoever, the provisions in the application and in the bylaws of the Bank's flight rewards program shall apply in connection with the utilization of the flight rewards points.

36. **PUBLICATION AND NOTICES**

The Bank and the Credit Card Company may publish notices in connection with the provisions herein in newspapers and/or in the Periodic Itemized Statements and/or in leaflets, bylaws and/or by any other means of publication, including through each one of the service channels as defined in the Terms of Operation.

Where the Customers belong to a group with respect to which a special arrangement has been made, the Bank and the Credit Card Company shall be entitled to send notices pursuant to this document to the group's representative and such aforementioned notice shall be deemed to have been delivered to the Customers.

37. **LEGAL PROCEEDINGS**

37.1 All reasonable expenses incurred with exercising rights to collect the debts either now or hereafter due hereunder, including the reasonable expenses involved with any action and including the Bank's attorney's fees, shall be borne by the Customers.

37.2 The amount of the attorney's fees shall be as awarded under a court judgment or decision, and in the case of execution of judgment proceedings, if no specific attorney's fees are prescribed, the

minimum fee prescribed under Section 81 of the Israel Bar Association Law, 5721-1961 shall apply, and in any other case - as shall be agreed between the Bank and the Customers. The Customers shall pay the Bank immediately, upon its first demand, any such expense together with maximum interest, in respect of the period commencing from the date it is so incurred by the Bank and until its actual payment, and the aforementioned interest that is compounded each month or each other period as shall be customary at the Bank from time to time, shall also bear such interest.

- 37.3 The Bank and the Customers hereby agree that the exclusive venue for all purposes of this document shall be the court in the city nearest to the branch where the Account is maintained, among the following cities: Jerusalem, Tel-Aviv, Haifa, Be'er-Sheva, Nazareth or Eilat, or – at the plaintiff's option – the court nearest to the branch where the Account is maintained.

37.4 **Interest in Legal Actions**

37.4.1 Without derogating from the Bank's right to arrears interest, if an action is filed by the Bank against the Customers for the payment of any amount now or hereafter due from them to the Bank pursuant to this document and/or the terms pertaining to any credit that the Bank has extended to the Customers, the Bank shall be entitled to claim for said amount, in respect of the period commencing from the day of filing the action, or – at the Bank's option, from the day when said amount is due to the Bank and until the full actual payment, interest at the arrears interest rate due on credit of the same type and in the same currency (however it should be clarified that said amount is not to be debited twice with arrears interest for the same period).

37.4.2 Moreover, the Bank shall be entitled, at its option, to claim interest and linkage differentials pursuant to the Adjudication of Interest and Linkage Law, 5721-1961, or any other law that supersedes the same. The Customers hereby agree that if the Bank claims interest or interest and linkage differentials, as stated, the judicial authority shall award such aforementioned interest or interest and linkage differentials against them.

38. **RELEASE FROM LIABILITY IN CERTAIN CIRCUMSTANCES**

Subject to any law, the Customers release the Bank from any liability in respect of any direct and/or indirect damage, loss, expenses and payments that the Customers might incur:

- 38.1 As a direct result of circumstances beyond the control of the Bank and/or the Credit Card Company, as applicable, and while said circumstances persist and provided that the Bank and/or the Credit Card Company, as applicable, employ every reasonable effort in order to comply with their undertakings.
- 38.2 As a result of reasonable use by the Bank and/or the Credit Card Company of various means of communication, such as mail, telephone, telex, facsimile, or any other method of communication or conveyance, either private or public, and as a result of any delay, misunderstanding, defacement or ruin by reason of such use, and provided that the Bank shall not be released if said damage, loss or expense are a consequence of negligence of the Bank and/or the Credit Card Company.

39. **CHANGE IN DETAILS**

- 39.1 The Customers declare that all the details that have been provided by them to the Bank (and including any telephone number, mobile number, e-mail addresses, etc.) are correct and accurate. The Customers undertake to notify the Bank immediately of any change occurring in one or more of these details.
- 39.2 So long as the Customers have not notified the Bank of such change, it is not binding upon the Bank and the Bank is not required to take it into account.

40. **TRANSFER OF RIGHTS**

- 40.1 The Customers shall not be entitled to transfer to another / others their rights pursuant to this document and/or the documents mentioned herein or related hereto, including the request, without the Bank's prior written consent to said transfer.
- 40.2 The Bank and the Credit Card Company are entitled, at any time, to transfer, one to another as well as to others, their rights under all or part of the terms contained herein without obtaining permission to do so from the Customers. The provisions of this clause 40.2 are in addition to the provisions of clause 2.2 above.

41. **WAIVERS AND/OR COMPROMISES**

- 41.1 No waiver or compromise on the part of the Bank and/or the Credit Card Company shall be binding upon the Bank and/or the Credit Card Company unless made in writing.
- 41.2 Where the Bank and/or the Credit Card Company has waived the Customers' prior breach or non-fulfillment of one or more of the terms of this document, this shall not be deemed a justification or excuse for the further breach or non-fulfillment of any of the terms of this document. Forbearance by the Bank and/or the Credit Card Company from exercising any right afforded thereto pursuant to this document shall not be interpreted as a waiver of that same right.

42. **THE AGREEMENT IS NOT AN AGREEMENT FOR THE BENEFIT OF A THIRD PARTY**

A Debit Card agreement is not an agreement for the benefit of a third party and no third party shall be entitled to rely on the provisions of this agreement.

43. **CHANGES IN THE TERMS OF THIS DOCUMENT**

- 43.1 The Bank shall be entitled from time to time to change the terms of this document or to add new provisions by giving the Customers not less than 30 (thirty) days' prior notice to this effect and provided that the new change or provision shall be binding upon the Customers only during the period commencing from the expiration of the aforementioned prior notice period.
- 43.2 The content of the Periodic Itemized Statements, or the disclosure provided through the communication channels, constitutes an integral part of this document and part of the terms hereof. In any case of conflict between the content of the Periodic Itemized Statements and the content of this document, the content in the Periodic Itemized Statements shall prevail.

44. **THE GOVERNING LAW**

This document and the documents mentioned herein or related hereto, including the request, shall be governed by, and interpreted in accordance with, the laws of the State of Israel.

45. **INTERPRETATION**

45.1 **Singular and Plural**

Whenever any Account or Deposit is being managed in the name of one Customer, everything stated with respect to said Account or Deposit, to the extent it relates to Customers, shall be deemed to have been written in the singular.

45.2 **Headings**

The headings of the clauses herein contained are for ease of reference only, and are not to be taken into account in the interpretation of the terms of this document.

And in witness whereof the Customers have hereunto set their hands

Date	Name	Signature	Clerk's Verification of Face to Face Customer Identification
			Clerk's Name Signature
		X	Clerk's Name Signature
		X	Clerk's Name Signature
		X	Clerk's Name Signature
		X	Clerk's Name Signature