

THE BUSINESS DAY IN BANKING CORPORATIONS

Definitions

1. **"Customer"** - An individual, incorporated body, or group of customers holding accounts that are not shared with others;

"Business day" Every day, excluding Saturday, other non-working days, the two days of Rosh Hashanah (New Year), Yom Kippur and Eve of Yom Kippur, the first day of Sukkot (Tabernacles), Shemini Atzeret, Purim, the first and seventh days of Passover, Israel Independence Day, Shavuot, the fast of the Ninth of Av, or any other day set by the Supervisor in accordance with section 7;

"End of a business day"- At 18:30 on each business day, and at 14:00 on Fridays and on the eve of a day detailed in the definition of " Business Day" in section 1, except for the day before other non-working days, Purim eve, Tisha B'av eve and the day before Yom Kippur eve, or until the time set by the Supervisor in accordance with section 7;

"Group of customers" - Any or all of the following: a corporation that controls another corporation, and any corporation controlled by it, provided each one of them has agreed in writing to implement transfers between the accounts, as stated in this section;

"Control" - Within its meaning in the Securities Law, 5728-1968.

Setting times for the implementation of transactions

ONLY THE HEBREW VERSION IS BINDING

2. (a) A banking corporation shall determine and publish the latest time at which it will accept instructions from its customers to implement transactions to be recorded in their accounts on the same business day.
- (b) For the purpose specified in subsection (a), different times may be set for different days, offices, or departments, and even for different media of communication.
- (c) At any event, the latest time which may be set for the purpose of this section on any day is the end of the business day.
3. Transactions implemented before the earlier of the end of the business day or in accordance with customers' instructions regarding the implementation of transactions received *before* the end of the business day, or before the time set by the banking corporation in accordance with the provisions of section 2, may not be recorded by the banking corporation on a later business day, except in the following instances:
 - (a) When the banking corporation must receive the customers' instructions by a specific time in order to implement the transaction on the same day (e.g., stock-market transactions, certain foreign-currency transactions, etc.); in these cases a timetable for such transactions shall be displayed in the branches of the banking corporation;
 - (b) With regard to transactions that are not implemented at the counter of a banking corporation's branch but by means of an automated machine or service boxes, a notice shall be placed on the automated machine or service box stating the time by which transactions must be made in order to be recorded in accounts on the same day;
 - (c) Transactions intended from the outset to be implemented in the future.
4. (a) A banking corporation may not implement a transaction arising from a customer's instruction on the same business day even if the instruction was given before the end of the business day, if the amount or quantity of the transaction is not specified in advance but is contingent on the implementation or non-implementation of other transactions, the results of which will be known only after the end of the business day.

- (b) Notwithstanding the aforesaid in subsection (a), if a customer holds several current accounts or another request deposit (e.g., SRO deposits) in the same bank and in the same currency, the banking corporation may implement on the same business day an instruction given by the customer before the end of the business day to make a transfer between his current accounts or SRO deposits, even if those transfers are contingent on the situation of the balances in those accounts at the end of that business day and information about those balances is received only after the end of the business day.
5. The aforesaid in section 2 applies only to transactions of the banking corporation with its customers and not to accounting transactions with the Bank of Israel vis-à-vis the banks' and the stock exchange's clearing houses.

Recording dates on documents

6. When transactions are undertaken on a certain date and are ascribed to the following business day for the purpose of determining the recording date of the transactions in the accounts, the date recorded on the relevant documents (by means of date-stamps, computer print-outs, etc.) should be the date on which the transaction was implemented or the instruction to implement it given, and not the date of the business day to which it was ascribed. With regard to transactions implemented after the end of the business day, the exact time of the implementation should be noted.

Business day and time of end of a business day according to Supervisor directive

7. (a) In exceptional cases, if it is found that there is a concern that banking corporations will not be able to provide banking services to their customers properly, or that a considerable number of customers of the banking corporation will be prevented from carrying out proper banking activity, the Supervisor is entitled to set:
- (1) That a certain day will not be considered a business day;

(2) That the time of the end of the business day will be earlier than the time set in the definition of "End of a business day".

(b) The Supervisor will publish a notice of of said decision on the Bank of Israel website and through the media.

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