

PROCEDURES REGARDING FEES

Introduction (1/02)

1. (a) For the purpose of this regulation:
 - “**A banking corporation**” - Including a credit card company.
 - “**A credit card company**” - An auxiliary corporation that issues (either on its own or jointly) debit cards and/or clearing with suppliers.
- (b) The banking corporations charge fees for administering accounts and implementing various bank transactions, in accordance with their published rates, as required under sections 26(a) and (b) of the Banking (Service to Customer)(Full Disclosure and Submission of Documents) Rules, 5742–1992 (henceforth, Full Disclosure Rules).
- (c) This regulation specifies various procedures regarding fees, which the banking corporations should follow.

Not charging fees in certain situations (1/02) (1/08)

2. (a) Repealed.
- (b) Repealed.
- (c) Fee for administering a proceeds account (1/02)

If a banking corporation administers a proceeds account for a customer, and no transactions were recorded in the proceeds account that are not connected directly with the purpose of administering other accounts, it shall not charge the customer a fee for the administration of the current account in order to administer the proceeds account.

For the purpose of this subsection, “a proceeds account” is a current account that is administered from the outset solely for the purpose of the customer’s other accounts, and a current account that is administered ex post only for that purpose, provided the customer has drawn this to the attention of the banking corporation.

ONLY THE HEBREW VERSION IS BINDING

(d) Fee for giving customers basic information

The rules regarding full disclosure established regulations concerning information which the banking corporations must give to their customers regarding the administration of their banking affairs (henceforth, basic information). It is hereby clarified that no fee shall be charged for giving customers basic information. In spite of the aforesaid in this section, giving a recording of a customer's telephone order that has not yet been erased shall not be considered basic information.

(e) Fee for administering a dormant deposit account

A banking corporation shall not charge a customer a fee for administering a dormant deposit account in an amount that exceeds the balance in the deposit account. This does not prevent the banking corporation from selling investments held for the customer in order to prevent a debit balance in the account.

(f) Repealed.

(g) Fees charged in advance and the service for which they are given is stopped (1/02)

(1) If a banking corporation has charged a customer a fee for a certain service for a predetermined period, such as fees for the allocation of quarterly credit, quarterly management fees, guarantee fees, fees for the annual rent of a safe-deposit box, etc., and the service was stopped before the end of the period for which the fees were charged, it shall repay the customer the periodical fee in proportion to its daily basis.

(2) A banking corporation is entitled to set reasonable minimum fees which shall also be paid if the service is stopped before the end of the period for which the fees are paid, if the Supervisor of Banks has given his approval in advance.

(h) Repealed.

Management fees (1/02) (1/08)

3. Repealed.

Informing the Supervisor of Banks regarding fees (1/08)

4. Repealed.

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