

Bank Hapoalim B.M., Tel-Aviv, Israel

2018 Resolution Plan – Public Section

Bank Hapoalim B.M. (“Bank Hapoalim”) is a publicly held banking corporation organized and operating under Israeli law, and subject to comprehensive supervision by the Bank of Israel. In the United States, Bank Hapoalim owns (through BHI USA Holdings, Inc., a Delaware-incorporated holding company¹) Hapoalim Securities USA, Inc., a Delaware-incorporated SEC-registered broker-dealer that has its principal place of business in New York. Bank Hapoalim also operates Bank Hapoalim B.M. New York Branch (the “Insured Branch”), a New York state-licensed FDIC-insured branch; Bank Hapoalim B.M. Plaza Branch and Bank Hapoalim Americas Tower Branch, New York state-licensed uninsured branches; Bank Hapoalim B.M. Los Angeles Representative Office and Bank Hapoalim B.M. Beverly Hills Representative Office, California state-licensed representative offices; Bank Hapoalim B.M. Miami Representative Office, a Florida state-licensed representative office²; and Bank Hapoalim B.M. New Jersey Representative Office, a New Jersey state-licensed representative office.

Despite the relatively limited size of its US operations, Bank Hapoalim currently is subject to US resolution planning requirements under the Dodd-Frank Wall Street Reform and Consumer Protection Act. Because of the relatively limited size and simplified structure of its US operations, Bank Hapoalim’s initial resolution plan, filed in December 2013, was an abbreviated or “tailored” resolution plan and Bank Hapoalim’s second resolution plan, filed in December 2014, was a brief update to its 2013 plan. Based on their review of the 2014 plan, by letter dated July 24, 2015, the FDIC and the Board of Governors of the Federal Reserve System (the “Agencies”) authorized Bank Hapoalim to file a resolution plan that focused solely on (i) material changes to its 2014 resolution plan; (ii) any actions taken to strengthen the effectiveness of its plan; and (iii) its strategy for ensuring that the Insured Branch will be adequately protected from risks arising from the activities of Bank Hapoalim’s nonbank subsidiaries, which it did in December 2015. By letter dated June 10, 2016, the Agencies authorized Bank Hapoalim to file “reduced” tailored resolution plans in December 2016, December 2017, and December 2018. Bank Hapoalim filed a reduced tailored resolution plan in December 2016. However, by public notice dated September 28, 2017, the Agencies extended the filing deadline for Bank Hapoalim’s next resolution plan until December 2018, meaning that Bank Hapoalim was not required to file a resolution plan in December 2017.

Bank Hapoalim has determined that there have been no material changes to its resolution plan since the filing of its initial tailored plan in December 2013. Further, in light of the size and structure of its US operations, Bank Hapoalim has not deemed it necessary to take any actions to improve the effectiveness of its resolution plan. Additionally, Bank Hapoalim has surveyed the Insured Branch’s interconnections and interdependencies to identify any major risks posed to the Insured Branch by Bank Hapoalim’s nonbank subsidiaries and has described the steps it takes to reduce those risks. Accordingly, Bank Hapoalim’s 2018 resolution plan consists simply of its responses to the three items specified by the Agencies.

¹ BHI USA Holdings, Inc. was previously named PCM-HSU Holdings, Inc.

² Bank Hapoalim B.M. Miami Representative Office was operated as a Florida state-licensed uninsured branch prior to February 28, 2018.