

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

2016 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 PCM-HSU Holdings, Inc., a Delaware-incorporated holding company) Hapoalim Securities USA, a Delaware-incorporated SEC-registered broker-dealer that has offices in New York, California, and Florida. 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. Miami Branch, a Florida state-licensed uninsured branch; and Bank Hapoalim B.M. Los Angeles Representative Office, a California state-licensed representative office.

Despite the relatively limited size of its US operations, Bank Hapoalim is subject to US resolution planning requirements under the Dodd-Frank Wall Street Reform and Consumer Protection Act because it has consolidated assets on a global basis of over \$50 billion. 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 focuses 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.

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 2016 resolution plan consists simply of its responses to the three items specified by the Agencies.