

# ISRAEL DISCOUNT BANK LTD.

Registration no.: 520007030

FAO: Israel Securities Authority  
www.isa.gov.il

FAO: The Tel Aviv Stock Exchange Ltd.  
www.tase.co.il

T121 (Public)

Magna transmission date: January 31, 2023  
Reference No.: 2023-01-012882

## **IMMEDIATE REPORT FOR MATERIAL GENERAL INFORMATION**

**Explanation: This form is not to be used if a form exists that is suitable for the reported event**

**Nature of the event:** *Approval of the Banking (Licensing) (Bank with Wide-Ranging Activity) Regulations by the Finance Committee*

Reference numbers of previous reports relating to this topic: \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_

*Further to the Immediate Reports from December 22, 2022 (reference no.: 2022-01-154045), January 3, 2023 (reference no.: 2023-01-001587) and January 19, 2023 (reference no.: 2023-01-009330), the Bank hereby provides an update that, on January 30, 2023, the Knesset Finance Committee approved the Banking (Licensing) (Bank with Wide-Ranging Activity) Regulations, 2023 ("the Regulations").*

*Under the Regulations, the Bank will be subject to an obligation to sell the means of control that it holds in Israel Credit Cards Ltd., with this having to take place before the end of three years from the date of the obligation becoming applicable (the date of the Regulations being published in the Official Gazette) or, in special circumstances, before the end of four years, should an outline for a public offering be decided upon. In addition, the provisions prescribed in the Increase in Competition and Reduction in Concentration in the Banking Market in Israel (Legislation Amendments) Law, 2017 will also apply with regard the sale.*

*Other provisions that will apply will include the following: during the period from the start date to the end date of a period, which is the later of five years or three years from the separation date, the Bank must conduct an operation for the issuance of charge cards, which it will issue through an operating company that will be allowed to be a party to the charge card contract; from the end of one year from the start date to the end date of a period, which is the later of five years or three years from the separation date, the Bank will be prohibited from conducting, through a single operating company, an operation for the issuance of more than 52% of the total new credit cards that it issues to its customers; determining a mechanism for the division of the revenues derived from the charge cards issuing operation and from customers' charge card activity between the Bank and the charge cards company, whereby the division of the aforesaid revenues will be in accordance with an agreement signed between the parties in 2022; restrictions will apply with regard to customers' requests for the renewal of credit cards.*

*It should be noted that the restrictions relating to the obligation to allow the credit card company to be a party to the contract, the prohibition on conducting, through a single operating company, an operation for the issuance of more than 52% of the total new credit cards and the restrictions with regard to customers' requests for the renewal of credit cards will also apply to some of the other banks.*

*The Regulations will go into effect on the date of their publication in the Official Gazette.*

Appendix attached \_\_\_\_\_

The Company *is not* a shell company as defined in the TASE Code

The date when the Corporation first learned of the event: *January 30, 2023* at *13:00*

### **Details of signatories authorized to sign in the name of the Corporation:**

	<b>Name of Signatory</b>	<b>Position</b>
<b>1</b>	<i>Adv. Nitzan Sandor</i>	<i>Other Executive Vice President, Chief Legal Counsel</i>

	<b>Name of Signatory</b>	<b>Position</b>
<b>2</b>	<i>Barak Nardi</i>	<i>Other Executive Vice President, Head of Strategy, Finance and Holdings Division</i>

Reference numbers of previous documents relating to this topic (their mention does not constitute their inclusion by way of reference):

The securities of the Corporation are listed for trade on the Tel Aviv Stock Exchange      Date of updating structure of form: 29/12/2022

Abbreviated name: Discount

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Email: [michal.sd@dbank.co.il](mailto:michal.sd@dbank.co.il)

Prior names of the reporting entity:

Name of person making electronic report: Tenne, Ayelet Position: General Secretary Name of Employing Company:

Address: 23 Yehuda Halevi St., Tel Aviv 6513601, Israel Tel: +972-76-8058862; Fax: 972-3-5171674 Email: [ayelet.tenne@dbank.co.il](mailto:ayelet.tenne@dbank.co.il)

***Israel Discount Bank's Immediate Reports are published in Hebrew on the website of the Israel Securities Authority and the Tel Aviv Stock Exchange.***

***The English translation is prepared for convenience purposes only.***

***In the case of any discrepancy between the English and Hebrew versions, the Hebrew will prevail.***