

Banking Supervision Department

Jerusalem, July 29, 2024
Circular No. C-06-2790

Attn: The Banking Corporations

Re: Disclosure of costs of securities services
 (Proper Conduct of Banking Business Directive No. 414)

Introduction

1. On June 6, 2023, within the framework of the Economic Plan (Legislative amendments for implementation of the economic policy for budget years 2023 and 2024) Law, 5783-2023, an amendment to Section 5a of the Banking (Service to the Customer) Law, 5741-1981, (hereinafter, “**the Law**”) was published. It regulates the requirement of sending a notice to customers regarding fees and interest payments charged to the account on a monthly frequency, notwithstanding the semiannual report on fees charged that had been established before this.
2. Directive 414 establishes a requirement to present comparative data to customers, with the frequency of the presentation of the disclosure relying on Section 5a(c)(1) of the Law. Due to the amendment to the Law described above, it was required to adjust the wording of the Directive in a manner that will keep the frequency of the presentation of the information as required by the directive.
3. After consulting with the Advisory Committee on Banking Business Affairs, and with the approval of the Governor, I have established this Directive.
4. The Regulation was not accompanied by the publication of a report under the Principles of Regulation Law, 5782-2021, because the direct and indirect effects that the regulation is expected to have on the entities to which it is intended to apply or on other protected interests, including the cost of complying with it, are not material, and this is in accordance with Section 34(c)(2) of this Law.

The amendment to the Directive

5. In Section 4 of the Directive, the reference to Section 5a(c)(1) of the Banking (Service to the Customer) Law, 5741-1981, shall be deleted, and replaced by the word “semiannually”.

Effective date

6. The amendment pursuant to this Circular goes it effect March 1, 2024.

File update

7. Following are the updates to the Proper Conduct of Banking Business file:

Remove pages	Insert pages
(4/14) [1] 414-1-4	(7/24) [2] 414-1-4

Respectfully,

Daniel Hahiashvili
Supervisor of Banks