

Bank of Israel (Withdrawal from circulation or replacement of currency damaged through use or destroyed) Rules, 5770–2010

By virtue of his powers under Section 45(f) of the Bank of Israel Law, 5770–2010 (“the Law”),¹ the Governor has prescribed the following regulations:

1. In these regulations “through use”—not through deliberate action or gross negligence.
2. The Bank of Israel will replace currency damaged through use that is whole with the equivalent legal tender.
3. The Bank will replace currency damaged through use if more than half of the banknote/coin is produced, in one or several pieces, with the equivalent legal tender, provided that the Bank is satisfied that the pieces are all part of the same banknote/coin.
4. a. The Bank will replace currency damaged through use that is produced as a half banknote/coin in one or several pieces with the equivalent legal tender, one year after the piece or pieces are produced, provided that both the following conditions are met:
 - (1) If the Bank is satisfied that the pieces are part of the same coin or banknote;
 - (2) The Bank does not receive the second half of the coin or banknote during the aforementioned year.
- b. The Bank will not replace half a banknote/coin that is produced once it has already replaced half as noted in sub-section (1); the Bank may seize this half banknote/coin and withdraw it from circulation.
5. a. The Bank may seize less than half a banknote/coin that is produced as currency damaged through use and withdraw it from circulation.
- b. If the Bank refuses to replace more than half a banknote/coin that is damaged through use, the Bank may seize it and withdraw it from circulation from ninety days after sending such notification to the applicant, unless the applicant submits a written request to the Bank during this period asking to repossess the banknote/coin.

- c. If the Bank receives a request of this nature, as noted in sub-section (2), it will send the banknote/coin to the applicant's address by registered mail; confirmation of receipt of the registered mail shall be conclusive evidence of delivery.
 6. The Bank may replace the destroyed banknote/coin with the equivalent legal tender, provided that it is satisfied that both the following conditions have been met:
 - a. The banknote/coin was destroyed accidentally;
 - b. Remnants of the banknote/coin were produced and the Bank is satisfied that the rest of the banknote/coin was entirely destroyed or the Bank received other evidence persuading it that it was totally destroyed.
 7. a. A person who wishes to replace currency that is damaged or destroyed shall take one of the following steps:
 - (1) Submit the form in the Appendix to the Bank of Israel Cash Desk, and attach the damaged banknote/coin or remnants of it or any other evidence confirming that the currency was totally destroyed;
 - (2) Send a request to the Bank to the following address: Bank of Israel, Currency Department, POB 780, Jerusalem 91007, by registered mail, attaching the form mentioned in paragraph (1), the damaged banknote/coin or remnants of it, or any other evidence confirming that the banknote/coin has been totally destroyed, and he shall also specify the number of his bank account.
 - b. Applications sent as per sub-section (a)(2) shall be for amounts up to NIS 1,500, and until they are opened by the Bank and their contents verified, they shall be the responsibility of the applicant.
 - c. If the bank accedes to an application under sub-section (a), the Bank will replace the banknote/coin that is damaged or destroyed at the Cash Desk, or will credit the applicant's bank account according to the details specified in the application, at its discretion.
8. Bank of Israel (Replacement or withdrawal from circulation of currency damaged through use or destroyed) Regulations, 5715–1955—are null and void.

**Appendix
Section 7(a) -**

**Application form for replacing damaged or mutilated currency as per Bank of
Israel regulations**

To:
The Bank of Israel, Currency Department—Cash Desk
POB 780, Jerusalem 91700
By registered mail / hand delivery

1. Applicant's details

The applicant (surname and first name)

I.D. no. / passport no. and country in which the passport was issued:.....

Applicant's address (city, neighborhood, street, number, zip code).....

Home phone no. / mobile no. / email:

2. Details of damaged banknotes or coins:

Number of damaged banknotes and coins	face value	Serial number/s *	Amount in NIS
	NIS 20		
	NIS 50		
	NIS 100		
	NIS 200		
	10 agorot		
	NIS 0.5		
	NIS 1		
	NIS 2		
	NIS 5		
	NIS 10		
Total			Total

* If requesting more than one note of the same denomination, please include a list of the numbers of all the notes to be replaced.

3. Circumstances in which the currency was damaged or mutilated, what happened to other parts of the banknote or coin that were not produced together with the application (please provide full details):

4. Bank account details:

When sending currency by registered mail, or as requested by the Bank when delivering currency at the Cash Desk, please also provide the applicant's bank account details:
Bank: _____ branch name: _____ branch number: _____ account number: _____

5. Declaration

I hereby declare that all the information in this application is correct, and I state that I am the owner of the account to be credited.

Date: _____ Applicant's signature: _____