

BANK OF ISRAEL

Office of the Spokesperson and Economic Information

Press release

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**As part of increased consumer-related enforcement and controls, the Banking Supervision Department has imposed monetary sanctions due to breaches of the supervisory directives on debt collection and call-center service**

As part of routine inspections conducted by the Banking Supervision Department in the banking system and credit card companies, Isracard Ltd. (hereinafter: "the company") was found to have not acted in accordance with its obligations. Consequently, a financial penalty of NIS 900,000 was imposed for noncompliance with supervisory directives regarding debt collection, and an additional financial penalty of NIS 50,000 was imposed due to difficulties in obtaining a human response at the call center when requesting to terminate a contract.

The following are the details of the deficiencies for which the financial penalties were imposed:

* **Debt Collection**: During an inspection on this matter, deficiencies were found in the reporting by the company's representatives to the Enforcement and Collections Authority (ECA) regarding payments made on account of debt. Additionally, there were instances where debt settlement agreements with customers were reported to the ECA at an unreasonable time by the company's representatives. According to the law, the maximum financial penalty that can be imposed for such violations is NIS 2,000,000. In light of the actions taken by the company to improve collection procedures before and after the supervisory intervention, the Banking Supervision Department decided to impose a reduced financial penalty of NIS 900,000 on Isracard Ltd.

For the decision and details of the identified violations, the considerations for the decision, and the reasons for imposing the penalty while reducing it, see: Decision on Imposing a Financial Penalty for Violation of Proper Conduct of Banking Business Directive No. 450. It should also be noted that as a result of the comprehensive inspection, financial penalties were imposed on additional banking corporations in 2023 and 2024 for similar violations.[[1]](#footnote-1)

* **Human Response at the Call Center**: As part of routine inspection measures, the Banking Supervision Department conducted an examination of all the call centers of banks and credit card companies to ensure that a human response can easily be obtained at the call center and to ensure compliance with the legal provisions regulating this matter. The examination’s findings revealed that the company did not comply with the Banking Law[[2]](#footnote-2), as it did not provide its customers with the option to receive a human response at the call center regarding contract termination, shortly after the start of the call. The Banking Supervision Department decided to impose a financial penalty of NIS 50,000 on Isracard Ltd., the maximum financial penalty that can be imposed for such a violation according to the law.

For the decision and details of the identified violations, the considerations for the decision, and the reasons for imposing the penalty, see: Decision on Imposing a Financial Penalty for Difficulties in Obtaining Human Response at the Call Center for Contract Termination.

1. <https://www.boi.org.il/en/communication-and-publications/press-releases/the-banking-supervision-department-has-imposed-financial-sanctions-on-israel-discount-bank-bank-hapoalim-and-mizrahi-tefahot-bank-for-improper-conduct-in-the-process-of-collecting-debts-from-customers/>;

   https://www.boi.org.il/en/communication-and-publications/press-releases/as-part-of-an-increase-in-consumer-related-enforcement-the-banking-supervision-department-has-imposed-financial-sanctions-on-two-banks-and-one-credit-card-company/ [↑](#footnote-ref-1)
2. Section 3a5 of the Banking (Service to the Customer) Law, 5741–1981. [↑](#footnote-ref-2)