

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

2013 Resolution Plan – Public Section

I. Executive summary – 12 C.F.R. §§ 243.8(c), 381.8(c)

Bank Hapoalim is a publicly held banking corporation organized and operating under Israeli law, and subject to comprehensive supervision by the Bank of Israel. With total assets of over \$100 billion,¹ it is one of the largest banking groups in Israel, and conducts a variety of banking, financial and non-banking activities through over 250 offices in Israel and in more than a dozen other countries.

In the United States, Bank Hapoalim owns (through PCM-HSU, a Delaware-incorporated holding company) HSUSA, a Delaware-incorporated SEC-registered broker-dealer that has offices in New York, California, and Florida. Bank Hapoalim also operates a New York state-licensed FDIC-insured branch, two New York state-licensed uninsured branches, a Florida state-licensed uninsured branch, and a California state-licensed representative office which began operations on December 16, 2013. These US operations have combined assets of approximately \$9 billion.

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. However, although it is therefore classified as a foreign-based covered company subject to these requirements, Bank Hapoalim is eligible to file an abbreviated or “tailored” resolution plan by virtue of the size and structure of its US operations. In addition to being able to file a tailored plan, Bank Hapoalim also has determined, consistent with the Regulations and applicable guidance, that it has no critical operations, core business lines, or material entities that are located in the United States or conducted in whole or material part in the United States. Accordingly, Bank Hapoalim’s plan is substantially abbreviated and its plan and this Executive Summary do not include much of the information that would otherwise be required by the Regulations (12 C.F.R. §§ 243.8(c), 381.8(c)).²

¹ Unless otherwise indicated, all financial information set forth in this Public Section is as of, or for the year ended, December 31, 2012.

² See 12 C.F.R. §§ 243.4(a)(2)(i), (b)(3)(ii)(B), 381.4(a)(2)(i), (b)(3)(ii)(B).

II. Glossary of terms

Agencies – Board of Governors of the Federal Reserve System and Federal Deposit Insurance Corporation

Bank Hapoalim – Bank Hapoalim B.M.

Branches – Insured Branch and Uninsured Branches

Excluded Sections – 12 C.F.R. §§ 243.4(c)-(f), (h), 381.4(c)-(f), (h)

FDIA – Federal Deposit Insurance Act

FDIC – Federal Deposit Insurance Corporation

FOIA – Freedom of Information Act

FRB – Board of Governors of the Federal Reserve System

FRBNY – Federal Reserve Bank of New York

HSUSA – Hapoalim Securities USA

Insured Branch – Bank Hapoalim B.M. New York Branch

New York Branches – Insured Branch and Uninsured New York Branches

Miami Branch – Bank Hapoalim B.M. Miami Branch

PCM-HSU – PCM-HSU Holdings, Inc.

Regulations – 12 C.F.R. Parts 243 and 381

SEC – US Securities and Exchange Commission

Uninsured Branches –Miami Branch and Uninsured New York Branches

Uninsured Plaza Branch – Bank Hapoalim B.M. Plaza Branch

Uninsured Tower Branch – Bank Hapoalim Americas Tower Branch

Uninsured New York Branches – Uninsured Plaza Branch and Uninsured Tower Branch