



Bank Leumi USA

IMPORTANT NOTICE AND CHANGE IN TERMS

THIS NOTICE HIGHLIGHTS IMPORTANT CHANGES TO THE TERMS AND FEES ASSOCIATED WITH YOUR DEPOSIT ACCOUNT AT BANK LEUMI USA. THE CHANGES BECOME EFFECTIVE ON **SEPTEMBER 27, 2019**. ON AND AFTER THIS DATE, THE UPDATED TERMS DESCRIBED IN THIS NOTICE WILL AMEND AND REPLACE THE TERMS SET FORTH IN OUR CURRENT ACCOUNT AGREEMENTS, ACCOUNT RECEIPTS, AND FEE SCHEDULES. IF YOU CONTINUE TO USE YOUR ACCOUNT OR KEEP YOUR ACCOUNT OPEN AFTER SEPTEMBER 27, 2019, THESE NEW TERMS WILL APPLY TO YOU AND YOUR ACCOUNT.

Bank Leumi USA is referred to in this document as “Bank,” “we,” “us,” and “our”. “You” and “your” means you, the customer with a personal account, or the business, professional entity, and/or its authorized representative(s) with a business account.

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Bank Leumi USA® is a New York State chartered, FDIC insured non-member bank. Your deposits are insured by the FDIC up to the maximum limits allowed by law. Information and tools describing how deposit insurance coverage works are provided by the FDIC at www.fdic.gov or by calling 1-877-ASK-FDIC or 1-800-925-4618 for the hearing impaired.

PART I
IMPORTANT UPDATES TO YOUR ACCOUNT TERMS

Why are you receiving this notice now?

When you opened a deposit account with us, you reviewed and accepted our account terms within your *Account Agreement and Privacy Notice*, *Account Receipt*, and *Fee Schedule* that govern your account. We continue to make revisions from time to time to our terms and fees to reflect operational and regulatory changes, as well as our current product and service offerings.

Do you need to do anything?

No, you do not need to take any action. This notice is simply to let you know that certain account terms have been updated. Your continued use of your account will be your acceptance of these updated terms.

What has changed?

First, we made the following updates to our *Account Agreement and Privacy Notice*:

- We changed our headers and re-ordered the questions and answers to better guide you to the right information.
- We added a new Part IX called “Electronic Fund Transfer Disclosures.” This Part incorporates the disclosures required by the Electronic Fund Transfer Act and Regulation E of the Consumer Financial Protection Bureau, relating to our electronic fund transfer services for personal accounts. Previously, these disclosures were contained in the *Bank Leumi Electronic Banking and Communication Policy and Agreement*.
- We further simplified the wording, clarified certain terms and disclosures, and removed definitions that are no longer relevant, all for the purpose of making the content more readable to you.

Second, we made certain changes in the *Account Receipts* for our checking, money market, and time deposit accounts. We also updated our *Fee Schedules* to clarify some of our fees. Please refer below for highlights of the changes:

- for private banking checking and money market accounts, starting on page 4;
- for commercial banking (non-analysis) checking and money market accounts, starting on page 6;
- for time deposit accounts, starting on page 8.

Where can you see the full text of the *Account Agreement and Privacy Notice*, *Account Receipts*, and the *Fee Schedules*?

The updated *Account Agreement and Privacy Notice*, the *Account Receipt* for each product type, and the new *Fee Schedules* will be available on our website at www.leumiusa.com/account-terms-and-fees, beginning on September 27, 2019. For the current *Fee Schedule* for Business Analysis Checking accounts, please contact your banking team.

When will these changes go into effect?

These changes will become effective on September 27, 2019.

How can you contact us if you have any questions?

We appreciate your patronage and look forward to continuing to serve your banking needs. Should you have any questions, please do not hesitate to contact us.

By Phone	
Toll-Free within the U.S.	1-800-892-5430
Call collect from outside the U.S.	+1-917-542-2343

PART II
US AND INTERNATIONAL PRIVATE BANKING CHECKING AND MONEY MARKET ACCOUNTS

The following highlights the changes to our private banking accounts that will become effective on September 27, 2019.

- The name of one of our private banking products has changed:

Current Product Name	New Product Name
Personal Basic Checking	Personal Basic Banking

- Account Receipts* for private banking checking and money market accounts have been updated to simplify wording, provide reference to the *Account Agreement and Privacy Notice* governing the account, and include updated language regarding the overdraft services offered with the account. In addition, we published the detailed terms of the Bank's overdraft coverage in a notice called *Standard Overdraft Services*. This document is available on our website at www.leumiusa.com/account-terms-and-fees.
- Account Receipts* for interest-bearing accounts have been updated with additional detail regarding your interest rate, the method used to calculate interest, and how fees are debited within your account.
- Account Receipts* for money market accounts have been updated to reflect the Bank's current policy on transaction limits.
- We made the following changes to our *US Private Banking Fee Schedule* and *International Private Banking Fee Schedule*:

US Private Banking Fee Schedule

Fee Description	Change
Personal Basic Checking	<ul style="list-style-type: none"> We removed this account from the Fee Schedule. If you have a personal basic checking account, none of the fees in this schedule applies to you.
Money market accounts	<ul style="list-style-type: none"> We corrected an error in the names of our U.S. Private Banking money market accounts. Each reference to "Personal Money Market" has been changed to "Private Banking Money Market."
Maintenance fee	<ul style="list-style-type: none"> We had previously disclosed to you that a quarterly fee of \$75 applies to your account if the combined balance in your Bank Leumi related accounts is below \$300,000. We defined the term "Bank Leumi related accounts" and also described when the balance is calculated.
Withdrawal limitation	<ul style="list-style-type: none"> This disclosure has been removed from the Fee Schedule as duplicative of the disclosure provided in the Account Receipts for money market accounts.
Check or ACH drawn against insufficient or uncollected funds fee per item	<ul style="list-style-type: none"> We re-named the fee to "Nonsufficient funds (checks and ACH only)" fee.
Concierge fee per quarter	<ul style="list-style-type: none"> We had previously disclosed to you that this quarter fee is 0.20% of your qualified AUM. We defined the term "AUM" and described how the fee is calculated. We also state that certain bespoke concierge banking services may be subject to a higher fee, in which case a separate disclosure will be provided to you.
Dormant account fee	<ul style="list-style-type: none"> We clarified that the dormant account fee applies to checking accounts that have been inactive for 24 months.
Money transfer (outgoing) within Leumi Group fee	<ul style="list-style-type: none"> This fee also included transfers between your accounts at the Bank. We created a separate line item called "Money transfer between Bank Leumi USA accounts" to make this point clearer. The fee amount has not been changed.

International Private Banking Fee Schedule

Fee Description	Change
Maintenance fee	<ul style="list-style-type: none"> We had previously disclosed to you that a quarterly fee of \$75 applies to your account if the combined balance in your Bank Leumi related accounts is below \$300,000. We defined the term "Bank Leumi related accounts" and also described when the balance is calculated.
Withdrawal limitation	<ul style="list-style-type: none"> This disclosure has been removed from the Fee Schedule as duplicative of the disclosure provided in the Account Receipts for money market accounts.
Check or ACH drawn against insufficient or uncollected funds fee per item	<ul style="list-style-type: none"> We re-named the fee to "Nonsufficient funds (checks and ACH only)" fee.
Concierge fee per quarter	<ul style="list-style-type: none"> We had previously disclosed to you that this quarter fee is 0.20% of your qualified AUM. We defined the term "AUM" and described how the fee is calculated. We also state that certain bespoke concierge banking services may be subject to a higher fee, in which case a separate disclosure will be provided to you.
Dormant account fee	<ul style="list-style-type: none"> We clarified that the dormant account fee applies to checking accounts that have been inactive for 24 months.

PART III

COMMERCIAL BANKING (NON-ANALYSIS) CHECKING AND MONEY MARKET ACCOUNTS

The following highlights the changes to our commercial banking (non-analysis) accounts that will become effective on September 27, 2019.

- Account Receipts* for commercial checking and money market accounts have been updated to simplify wording, provide reference to the *Account Agreement and Privacy Notice* governing the account, and include updated language regarding the overdraft services offered with the account, if applicable. In addition, we published the detailed terms of the Bank's overdraft coverage in a notice called *Standard Overdraft Services*. This document is available on our website at www.leumiusa.com/account-terms-and-fees.
- Account Receipts* for interest-bearing accounts have been updated with additional detail regarding your interest rate, the method used to calculate interest, and how fees are debited within your account.
- Account Receipts* for money market accounts have been updated to reflect the Bank's current policy on transaction limits.
- Account Receipts* for products with linked sub-accounts (i.e., Landlord Rent Security Deposit Accounts and Attorney Trust Accounts) have been updated to reflect the Bank's policy relating to account-related activity and that activity in the "Control" or "Master" account will be considered activity for purposes of any linked sub-accounts.
- We made the following changes to our *Commercial Banking (Non-Analysis) Fee Schedule*:

Fee Description	Change
Withdrawal limitation	<ul style="list-style-type: none"> This disclosure has been removed from the Fee Schedule as duplicative of the disclosure provided in the Account Receipts for money market accounts.
Check or ACH drawn against insufficient or uncollected funds fee per item	<ul style="list-style-type: none"> We re-named the fee to "Nonsufficient funds (checks and ACH only)" fee.
Dormant account fee	<ul style="list-style-type: none"> We clarified that the dormant account fee applies to checking accounts that have been inactive for 24 months.

**PART IV
TIME DEPOSIT ACCOUNT**

The following highlights the changes to our time deposit accounts that will become effective on September 27, 2019.

- *Account Receipts* for time deposits have been updated to generally clarify wording and provide reference to the *Account Agreement and Privacy Notice* governing the account.
- We indicated for each time deposit that interest is calculated every day on a 365-day year/366-day year for leap years.
- We made necessary edits to clarify that we do not make adjustment for non-business days for purposes of crediting, and as appropriate, for the determination of the beginning and ending dates of interest periods, call dates, or exit dates.
- We also made the following account-specific changes:

Time Deposit Name	Change
Flexible Three-Year	<ul style="list-style-type: none"> • We clarified that there are three (3) consecutive interest periods of one (1) year each, and defined the commencement and ending dates of each interest period. • We (i) explained that your time deposit accrues interest at the rate applicable to the third interest period, and (ii) described how we adjust the interest payable to you if you withdraw your time deposit prior to maturity, which depends on whether you withdraw after the first or second interest period.
Foreign currency	<ul style="list-style-type: none"> • We changed our minimum opening deposit amount from \$0 to USD \$100,000 equivalent in foreign currency. (This change has no impact on your existing time deposit.) • We clarified that at each renewal, the interest earned in your account during the expired term will be added to the principal balance, and thereafter, you will earn interest on the increased principal balance during the renewal term. • We explained that if your account renews, the penalty for early withdrawal during any renewal term is forfeiture of all interest accrued but only during the term then in effect.
One-Year Special Exit	<ul style="list-style-type: none"> • We clarified that early withdrawal requires our prior consent.
Public Fixed Rate	<ul style="list-style-type: none"> • We clarified that if your account is not renewed, you will not be paid interest after maturity.
Quarterly Exit One-Year	<ul style="list-style-type: none"> • We clarified that there are four (4) consecutive interest periods of three (3) months each, and defined the commencement and ending dates of each interest period. • We (i) explained that your time deposit accrues interest at the rate applicable to the fourth interest period, and (ii) described how we adjust the interest payable to you if you withdraw your time deposit prior to maturity, which depends on whether you withdraw after the first, second, or third interest period.