

WITHDRAWAL FROM THE PROVIDENT FUND

Dear member,

In this document, we have assembled for you all the instructions by which you can initiate withdrawals from the provident and advanced study funds.

1. Employee Member – withdrawing from provident funds

A. Provident savings deposited until January 1st, 2005

1. At the age of 60 if the member has retired or reduced his work rate by 50% or more
2. If the member has retired from one working place and began working in another place within 6 months since leaving the first
3. Six months after retiring from a workplace, if he has become independent
4. 13 months after retiring from a workplace, if the employee has started a new job, in which there are no deposits for a provident fund

B. Provident funds deriving from deposits made between 01.01.05 and 31.12.07 can

be retrieved at age 60 if 5 years have passed since the first deposit in the account

C. Provident funds deriving from deposits made since 01.01.08 (amendment No. 3):

All deposits since January 2008 are for providence and for their withdrawal, they

must be transferred to a pension fund account

D. Special additional situations permitting withdrawal (subject to regulations)

1. Low income
2. Medical expenses
3. Disability
4. Death, compensations and insurance benefits

* In all other case, provident funds withdrawals are legally taxable

2. Employee member – withdrawal of compensation money

A. Compensation money in personal provident fund for compensation after terminating employer employee relations based on entitlement:

1. Withdrawal as capital sum net of taxes (11,390 NIS per working year are tax-exempted)
2. Sequence of compensation/allowance – subject to submitting an application in writing and the agreement of managing company to postpone settling the tax account to a later period
3. Leaving the money in the funds' account – the amounts will continue to accrue yields.

3. Self employed member

- A. Funds deposited until December 31, 2005 (inclusive)
 - 1. At the age of 60 and provided 5 years have passed since his first deposit in the fund
 - 2. 15 years since his first deposit in the fund
- B. Funds deriving from deposits made between 01.01.06 and 31.12.07 can be retrieved at age 60 if 5 years had passed since the first deposit in the account
- C. Funds deriving from deposits made since 01.01.08 (amendment No. 3) all deposits since January 2008 are for providence
- D. Special additional situations permitting withdrawal
 - 1. Low income
 - 2. Medical expenses
 - 3. Disability
 - 4. Death, compensations and insurance benefits

* In all other cases, provident fund withdrawals are legally taxable

Withdrawal from advanced study fund

- 1. For any purpose – after six years seniority in the fund
- 2. At retirement - after three years seniority in the fund
- 3. For training purposes - after three years seniority in the fund
- 4. At the member's death

*** Withdrawal approval for training purposes is subject to the management's discretion after examining the application and its documents**

The documents and the application form for training should be submitted to the managing company three months before entering the planned training. There will be no retroactive approval to withdraw for courses that were already held.

**** In order to enter training the following documents must be submitted:**

- A. A withdrawal form for training purposes
- B. Information about the course contents
- C. Presenting receipts or future payments
- D. The employer's permission for his participation in the course, indicating that it is designed to maintain the employee's professional skills and is within the framework of his occupation
- E. The independent member should submit a written statement that the course is designed to maintain his professional skills and is within the framework of his occupation



Instructions for withdrawal:

1. When requesting a withdrawal up to 50,000 NIS you are to contact the bank branch applicable to the fund from which money is being withdrawn based on the list below.
2. Members of funds operated by Bank Leumi, please call our call center before contacting the bank so as to connect you to the applicable branch.
3. For requests in the amount of 100,000 NIS to 500,000 NIS you must visit one of the branches of Menorah Mivtachim, and above this amount must visit the company's office on 7 Jabotinsky Street, Ramat Gan, 45th floor in order to submit an application for the withdrawal and bring along the supporting documents as listed on the application form.

List of funds according to their operating banks:

Bank Leumi Lelsrael: Menorah Hishtalmut, Mor Menorah Mivtachim.

Bank Hapoalim: Menorah Mivtachim Provident Funds and Compensations (formerly operated by Menorah Mivtachim Pension), Menorah Mivtachim Hishtalmut, Menorah Mivtachim Yeter, Menorah Mivtachim Amir.

Bank Habeinleumi: Omega Advanced Study Fund