



THE PHOENIX INSURANCE CO. LTD.

Errors & Omissions for Financial Institutions

POLICY NUMBERS:

25/110/462/1000273 & 25/110/462/1001280 (i.r.o Insured no.2)

Policy form: Errors & Omissions for Financial Institutions (Expended Edition) – March 2017

Insured Number:

2) Management and Marketing of Provident Funds, Pension Funds, Study Funds (Kranot Hishtalmot) compensation funds, Pension Marketing, Pension Advisory and/or any activity as detailed in the proposal.

CONDITIONS

Policy Form: Errors & Omissions for Financial Institutions (Expanded Edition – March 2017) plus WTW Wording Amendments - as attached

- a. Choice and nomination of legal attorney to be performed with cooperation of the Insured.
- b. The term Employee shall be extended to include:
 1. Employees of the insured's parent company Analyst I.M.S Investment Management Services Ltd. and/or subsidiaries and/or affiliate companies of these companies involved in the operation of the insured and/or providing services to the Insured shall be considered as "Employee" in this policy.
 2. Employees of the entities, including banks, that will furnish operation and distribution services to the insured also regarding mutual funds, provident funds, central funds, study funds, pension funds and any other financial service for the Insured.

3. Any natural person or entity that receives payment under an invoice including pursuant to a management services agreement between the Insured and the entity on behalf of the natural person that receives the payment for the services, also in respect of marketing services of provident funds and portfolio management for the Insured or its subsidiaries. The Insurer waives right of subrogation against that entity and its employees.
 4. Mr Yossi Mealem and/or Y. Mealem Economic Consultancy Ltd (Mr. Yossi Mealem acts as a chief economist and/or as a presenter of the Insured. He will supply services not as an employee but as a services provider according to an agreement signed with him (through company registration number 513521526).
 5. Compliance officer, any member of a professional committee of the Insured whilst working on behalf of the Insured.
- c. The policy is extended to cover the vicarious liability of the insured arising from any act and/or omission of anyone performing operation and/or distribution services for the insured also in the field of mutual funds and/or provident funds and/or pension funds and/or study funds, and/or portfolio management including the employees of such organ and/or anyone acting on its behalf.
 - d. The policy is extended to cover the vicarious liability of the insured arising from any act and/or omission of any insurance agents / brokers and /or other agents that are involved within the operation and distribution of the insured trust funds, provident funds, mutual funds , pension funds, study funds and compensation funds.
 - e. The policy covers the Insured liability in connection with investment management or portfolio management services performed for the insured by third parties including mutual funds. Furthermore, the policy covers the insured's liability arising from any act and/or omission of the parties performing the investment management and portfolio management services on his behalf.
 - f. The parent company, Analyst I.M.S Investment Management Services Ltd. shall be added to the original named insured in each and every of the policies as per the scope of the Insured's activity only.
 - g. Specific matters exclusion regarding known events as per Chapter E to the 2009 proposal forms.

h. It is agreed that this policy shall be primary before any other insurance held by the **Insured** and/or deposit or security allowed as substitute to an insurance cover under the Israeli law.

i. Administrative Proceedings Endorsement:

It is hereby noted and agreed that:

1. In the definition of "Claim"; The following wording shall be added at the end of the definition: "including according to administrative enforcement that will include administrative enforcement by the Israeli SEC authority according to the Securities law and/or other law and/or by the Ministry of Finance and/or by the Commissioner of Savings and Insurance according to the Control of Financial Services (provident funds) Law and/or the Control of Financial Services (Insurance) law and/or the Enhancement of the Enforcement in the Capital Market Law and/or the financial services advisory, marketing and pension clearing system) law and/or the Investment Advisory law and/or the Mutual investment in trust law"

2. In the definition of "Defence Costs" - after the word: "investigation" in line 5/6 the words: "and/or administrative enforcement procedures" shall be added.

j. The Insurer waives all rights of subrogation against the First International Bank of Israel performing operational and/or distribution services for the Insured.

k. It is hereby noted and agreed that in part VI (Conditions) clause 4, Cancellation, in the second paragraph the words "not less than 45 days" shall read "not less than 60 days".

l. It is noted and agreed that an act or omission made in good faith by any one of the Insured's and/or Employees that might derogate from the rights under the policy shall not derogate from the rights of the client.

m. It is hereby noted and agreed that in part III (Definitions) clause 6 (Sub clause c) Dishonest, Fraudulent or Malicious Acts or Omission, the words: "or Malicious acts" shall be added after the words: "Dishonest or Fraudulent Act or Omission".

n. It is hereby noted and agreed that during the policy period, there is no automatic cover under this policy for any newly created or acquired US subsidiaries, funds or board positions.

- o. Circumstances which may subsequently give rise to a claim under this policy cannot be notified during the Extended Reporting Period.
- p. It is hereby noted and agreed that items (c) and (d) of Definition 7 “**Employee**” or “**Employees**” are amended to:
 - (c) Guest students while pursuing studies or duties on behalf of the **Insured** under the **Insured**’s supervision.
 - (d) A person provided by an employment agency to perform **Employee** duties for the **Insured** under the **Insured**’s supervision (whether past, present or who may at any time during the policy period and/or the ERP become such), on behalf of the **Insured** under the **Insured**’s supervision excluding, however, any person employed as or to perform the duties of a data processor, programmer, software contractor or person performing similar duties.
- q. LMA3100A Sanctions Limitation Clause – attached.
- r. Mechanical Breakdown Exclusion – attached.
- s. **V. Extensions** – Item 5. **Criminal Litigation** – is deleted in its entirety.
- t. LMA5477 Cyber Risks Endorsement – attached.
- u. AIG Territorial Restriction Endorsement - attached

ADDITIONAL EXCLUSIONS

Insured v insured/parent company

The insurer shall not be liable to make any payment in respect of any claim brought by or on behalf of:

- (i) an insured, or successors or assigns of any insured, unless such claim is brought by or on behalf of an insured person as a customer or client of any insured company; or
- (ii) the parent company of any insured company or any entity that is operated, managed or controlled by any insured.

This exclusion shall not apply in respect of Third party claim / third party notice, that an Insured had filled following an unsolicited claim brought by a third party.”

Fees Exclusion

As per attached policy wording

Money Laundering exclusion

As per attached policy wording

Contractual liability exclusion:

As per attached policy wording



LAW AND JURISDICTION
OF THE ORIGINAL POLICY

Worldwide Excluding USA/Canada
In a case of a dispute the policy interpretation is exclusively in accordance with Israeli law and each party agrees to submit to the exclusive jurisdiction of the courts of Israel.

RETROACTIVE DATE

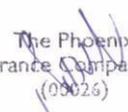
Unlimited; however

In respect of Insured No.3, 1st November 2015
but in respect of ILS 2,000,000 excess ILS 8,000,000: 1st September 2016.

TERRITORIAL LIMITS

Worldwide including USA/Canada

Sincerely
Shmulik Trachtenberg
Underwriter D&O & E&O unit
27/08/20


The Phoenix
Insurance Company Ltd
(09026)