

# **PUBLIC DISCLOSURE**

August 6, 2015

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Bank Hapoalim B.M.  
Certificate Number: 33686

1177 Avenue of Americas  
New York, New York 10036

Federal Deposit Insurance Corporation  
Division of Depositor and Consumer Protection  
New York Regional Office

350 Fifth Avenue, Suite 1200  
New York, New York 10118

This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

## INSTITUTION RATING

**INSTITUTION'S CRA RATING:** This institution is rated **Satisfactory**.

Bank Hapoalim B.M. (Bank Hapoalim) demonstrated a satisfactory record of helping to meet the community development needs of its assessment area, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities. The FDIC evaluated Bank Hapoalim's performance under the wholesale institution Community Development Test and based the rating on the following factors:

### **Community Development Test**

- The institution has an adequate level of community development loans, qualified investments, and community development services.
- The institution occasionally uses innovative or complex community development loans, qualified investments, or community development services
- The institution exhibits adequate responsiveness to credit and community economic development needs in its assessment area.

## Qualified Investments

Total qualified investments and grants of \$30.3 million represent approximately 0.2 percent of total assets. Table 5 illustrates Bank Hapoalim's qualified investments by year and purpose.

Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Neighborhood Stabilization		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Prior Period	0	0	0	0	3	330	0	0	0	0	3	330
2012	0	0	0	0	5	6,270	0	0	0	0	5	6,270
2013	0	0	0	0	8	6,600	0	0	0	0	8	6,600
2014	1	5,000	0	0	8	6,600	0	0	0	0	9	11,600
YTD 2015	0	0	0	0	4	5,330	0	0	0	0	4	5,330
<b>Subtotal</b>	<b>1</b>	<b>5,000</b>	<b>0</b>	<b>0</b>	<b>28</b>	<b>25,130</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>29</b>	<b>30,130</b>
Qualified Grants & Donations	4	11	36	140	3	5	0	0	0	0	43	156
<b>Total</b>	<b>5</b>	<b>5,011</b>	<b>36</b>	<b>140</b>	<b>31</b>	<b>25,135</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>72</b>	<b>30,286</b>

*Source: Bank Records*

Below are notable examples of the bank's qualified investments:

- CDFIs – Of total investments, \$19.8 million represents certificates of deposits (CDs) in CDFIs. Bank Hapoalim renewed many of the CDs from the prior evaluation annually. These CDs are community development investments as they provide a source of funds to CDFIs. The CDFI then uses the funds to provide loans and other services within the assessment to low- and moderate-individuals or small businesses, which promotes economic development in the assessment area. The CDs are responsive to the area's need for CDFI funding.
- CRA Qualified Investment Fund (FUND) – The bank invested \$5.0 million in the FUND. The FUND specializes in community development projects throughout the U.S., including the bank's assessment area. The bank's investment helped fund five affordable housing projects in its assessment area, including three projects supported by the New York City Housing Development Corporation and two projects supported by Section 8 Housing. The FUND is responsive to the area's affordable housing needs.
- **Solomon Hess Small Business Administration (SBA) Loan Fund – During the evaluation period, the bank invested \$5 million in the Solomon Hess SBA Loan Fund. The Solomon Hess SBA Loan Fund's mission is to promote economic development in low- and moderate-income areas and create jobs for low- and moderate-income individuals in the bank's assessment area.**