

This is an English convenience translation of the original Hebrew version. In case of any discrepancy, the binding version is the Hebrew original.

Israel Corporation Ltd.

Registrar Number: 520028010

**Form 460
Public**

Date of Transmission: 29/03/2017

Reference: 2017-01-032589

To:

The Securities Authority
www.isa.gov.il

To:

The Tel Aviv Stock Exchange Ltd.
www.tase.co.il

IMMEDIATE REPORT ON THE CONVENING OF A MEETING

Regulation 36B (a) and (d), and Regulation 36C of the Securities Regulations (Periodic and Immediate Reports), 5730 – 1970

The corporation hereby announces: the convening of a meeting

1. The number of the security on the Stock Exchange which entitles the holder thereof to participate in the meeting is: *576017*
The record date for determining the entitlement to participate in and vote at the meeting is: *06/04/2017*
2. On the date of: *29/03/2017*
it was decided to convene a *special meeting* _____
that will be held on *Monday* date: *08/05/2017*, at *10:00* a.m.
at the address: *23 Aranha St., Millennium Tower, Tel Aviv.*
3. On the agenda:
The subjects/ resolutions which shall be brought up at the meeting:

1

The subject/ the resolution and the details thereof:

The appointment of Dr. Joshua Rosensweig as an outside director of the Company, for a three-year term in office, commencing on May 8, 2017, who shall be entitled to the terms of office as stated in the Report Convening the Meeting.

The appointment / extension of the term in office of an outside director as stated in sections 239(b) or 245 of the Companies Law.

Not a transaction between the Company and a controlling shareholder thereof as stated in sections 275 and 320 (f) of the Companies Law.

The majority required is *not a regular majority special majority*

A report is attached herewith for the convening of the meeting:
ConveingofaSpecialGeneralMeeting isa.pdf

4. Attached herewith is/are:

The draft of the voting form

A position statement

VotingFormForAppointmentOfOutsideDirector isa.pdf

A declaration of the candidate to serve as a director of the corporation

This is an English convenience translation of the original Hebrew version. In case of any discrepancy, the binding version is the Hebrew original.

- A declaration of an independent director
 A declaration of an outside director

[Declaration isa.pdf](#)

Explanation: *Should a voting form and/or position statement be attached, it must be ascertained that they have been prepared in accordance with the Companies Regulations (Voting in Writing and Position Statements), 5766 – 2005.*

The website address of the voting system where it is possible to vote: <https://votes.isa.gov.il/>

Explanation: Entitled to vote via the voting system shall receive the access details from stock exchange members.

5. The quorum for the holding of the meeting:
See attached report.
6. In the absence of a quorum, the adjourned meeting shall be held on 15/05/2017 at 10:00 a.m.
At the address: 23 Aranha St., Millennium Tower, Tel Aviv.
7. The place and the times where it shall be possible to inspect any proposed resolution whose text has not been presented in full in the details of the agenda, above, is:
*At the Company's offices, 23 Aranha St., Millennium Tower, Tel Aviv
on Sundays through Thursdays, between 9:00 a.m. - 16:00 p.m.*

*The name of the authorized signatory to the report and the name of the authorized electronic signatory: Maya Alcheh-Kaplan
Position: Vice President, General Counsel & Company Secretary
Date of signature: 29/03/2017*

Form structure updated: 06/03/2017

Securities of the corporation are listed in the Tel Aviv Stock Exchange

Short name: Israel Corporation

Address: P.O.B. 20456, Tel Aviv 61204 Tel: 03-6844517, 6844500, Fax: 03-6844587

Email: MAYAAK@ISRAELCORP.COM

Name of Electronic Reporter: Maya Alcheh Kaplan. Position: Vice President, General Counsel and Company's Secretary. Address: Aranha 23, Millennium Tower, Tel Aviv 61204 Phone – 03-6844517 Fax: 03-6844587 e-mail: mayaak@israelcorp.com

This is an English convenience translation of the original Hebrew version. In case of any discrepancy, the binding version is the Hebrew original.

Israel Corporation Ltd.

Millennium Tower, 23 Aranha St., P.O.B. 20456, Tel Aviv 61204
Tel: (03) 6844517, Fax: (03) 36844587

Attorney Maya Alcheh-Kaplan

Vice President, General Counsel and Company Secretary

ISRAEL CORPORATION

March 29, 2017

TO:

THE SECURITIES AUTHORITY
Through the MAGNA system

THE TEL AVIV STOCK EXCHANGE LTD.
Through the MAGNA system

Dear Sir/Madam,

Re: **The Convening of a Special General Meeting of the Shareholders of Israel Corporation Ltd.**

In accordance with the Securities Regulations (Immediate and Periodic Reports) 5730-1970 (hereinafter: the “**Reporting Regulations**”), and with the provisions of the Companies Law, 5759-1999 (hereinafter: the “**Companies Law**”), and the regulations enacted pursuant thereto, Israel Corporation Ltd. (hereinafter: the “**Company**”) wishes to announce that a special general meeting of the shareholders of the Company shall be convened on Monday, May 8, 2017, at 10:00 a.m., at the offices of the Company, at 23 Aranha St., Millennium Tower, Tel Aviv (hereinafter: the “**Meeting**”), whose agenda shall comprise the subject as set forth below in this Report.

Details of the Item on the Meeting’s Agenda

1. **The Appointment of Dr. Joshua Rosensweig as an Outside Director**

1.1 The appointment of Dr. Joshua Rosensweig as an outside director of the Company for a three-year period, commencing on the date of the approval of the Meeting convened by this report, that is, May 08, 2017¹. The appointment of Dr. Joshua Rosensweig as an Outside Director was recommended by Clal Insurance Enterprises Holdings Ltd., shareholders of the Company.

1.2 Dr. Rosensweig shall be entitled to such terms and conditions of office as per standard practice at the Company with respect to outside directors and, *inter alia*, annual remuneration and participation remuneration in accordance with the maximum remuneration as set forth in the Companies

¹ On 23.3.2017 the term in office of Mr. Oded Degani, who served as an outside director of the Company, came to cessation (for details, see Company’s reports dated 24.3.2014 and 26.3.2017 (Reference No. 2014-01-022509 and 2017-01-029250, respectively)).

This is an English convenience translation of the original Hebrew version. In case of any discrepancy, the binding version is the Hebrew original.

Regulations (Rules Regarding Remuneration and Expenses for an Outside Director), 5760-2000 (hereinafter: the “**Remuneration Regulations**”), in accordance with the Company’s grade, as it shall be from time to time, and taking into consideration his classification as an expert director, and he shall also be entitled to the reimbursement of expenses. In addition, Dr. Rosensweig shall be entitled to the letter of indemnity for the Company’s officers and his inclusion in the Company’s insurance policy for its officers, in accordance with the approved resolutions of the Company’s institutions and as shall be approved from time to time.²

- 1.3 It should be noted that the Company’s Board of Directors has determined, based, *inter alia*, on Dr. Rosensweig's declaration and the information submitted by him, that he has accounting and financial expertise, as the term is defined in the Companies Regulations (Conditions and Criteria for Directors with Accounting and Financial Expertise and Directors with Professional Expertise), 5766-2005, and that due to his education, his professional experience and his qualifications Dr. Rosensweig is highly skilled and professionally competent regarding the Company's line of business, and for such has been classified as an expert director, as the term “Expert Outside Director” is construed in the Remuneration Regulations, and he shall be entitled to the remuneration taking into consideration his classification as aforesaid.

Attached herewith as **Appendix A** is Dr. Rosensweig’s declaration pursuant to Sections 224B(a) and 241 of the Companies Law.

- 1.4 Below are Dr. Rosensweig’s details, in accordance with Regulation 36B(10):

- (1) Name: Joshua Rosensweig (1A) ID No.: 013841069;
- (2) Date of birth: 17.8.1952;
- (3) Address for the service of court process: 30 Sheshet Hayamim Street, Bnei Brak 5120261;
- (4) Citizenship: Israeli, Canadian;
- (5) Membership of committees of the Board of Directors: Subject to the approval of the Meeting convened hereunder, he is due to serve as a member of various committees, in accordance with the provisions of the law and with the determination of the Board of Directors;
- (6) Outside director: Yes;
Independent director: Yes;
Has financial and accounting expertise: Yes;
Has professional qualifications: Yes;

² *Inter alia*, the arrangements determined in the resolutions of the general meeting dated March 21, 2001, January 8, 2001 and August 9, 2012. For further details, see the reports dated October 3, 2011, November 2, 2011, November 8, 2011, November 21, 2011 and July 4, 2012, and also see what is stated in the Company’s compensation policy that was attached to the report dated May 27, 2015 (Reference No. 2015-01-031038), and the description pursuant to Regulation 22 of the Company’s Periodic Report for 2015, all of which are presented herein by way of incorporation by reference.

This is an English convenience translation of the original Hebrew version. In case of any discrepancy, the binding version is the Hebrew original.

- Is an “Expert Outside Director”: Taking into consideration the director’s declarations, the Board of Directors of the Company has determined that the director is an “Expert Director”, as the term “Expert Outside Director” is defined in the Remuneration Regulations;
- (7) Is an employee of the corporation, a subsidiary, related company or of an interested party: No;
- (8) Date of commencement of office: 8.5.2017 (subject to the approval of the Meeting convened pursuant to this Report);
- (9) His education: a B.A. in Philosophy - Yeshiva University, New York; a LL.B. in Law - Bar-Ilan University; a LL.M. and a PhD in Law - New York University Law School;
- (10) His employment in the last five years:
Founder and Senior Partner at Rosenzweig & Aviram Law Offices; Counsel, Head of Tax Department, at Agmon & Co. Rosenberg Hacoheh & Co. Law Offices (2012-2013); Chairman of the Management Committee of Bar Ilan University (2009-2014); Chairman of the Board of Directors of HaPoalim IBI (2013); Founder and Partner at Rosneram Business Development Ltd.; Chairman of the Advisory Committee to the Government Companies Authority (2011-2013); Member of the Forum which advises former Minister of Finance, Mr. Yuval Steinitz, at the Ministry of Finance (2009-2013); Member of the Permanent Committee and the Governing Council of Bar-Ilan University (2002-2014); Chairman of Executive Board of “Meorot” Hadaf Hayomi.
- (11) Corporations at which he serves as a director:
Bezeq Israel Telecommunication Corp Ltd.; Pelephone Communications Ltd.; Bezeq International Ltd.; Alrov Real Estate and Hotels Ltd.; Rosetta Genomics Ltd.; Waterfall Security Solutions Ltd.; Mailwise Email Solutions Ltd.; Moinian Ltd.; Rosneram Business Development Ltd.; Rosneram Trust Company Ltd.; Rosensweig Legal Services Ltd.; Reflection – Simulation Investments (1996) Ltd.; Reflection Advanced Sciences Ltd.; N.K.B. Britannia Real Estate 1 (Management) Ltd.; 3D Space Sound Solutions Ltd.; Podcast Israel Media Ltd.; Forward Planning Ltd.; Member of the Board of Trustees, Bar-Ilan University; committee member at the Gift Fund.
- (12) Is he a relative of another interested party in the corporation: No.
- (13) Is he a director whom the Company considers to have accounting and financial expertise, in order to comply with the minimum number determined by the Board of Directors under section 92(a)(12) of the Companies Law: Yes.

Text of the Proposed Resolution: “To appoint Dr. Joshua Rosensweig as an outside director of the Company, who shall be entitled to the terms of office as stated in this Report Convening the Meeting, for a three-year term in office, commencing on May 08, 2017.”

This is an English convenience translation of the original Hebrew version. In case of any discrepancy, the binding version is the Hebrew original.

2. **Details of the Convening of a Special Meeting**

Notice is hereby given that a general meeting of the Company's shareholders shall be held on May 8, 2017, at 10:00 a.m., at the Company's offices at 23 Aranha St., Floor 24, Tel Aviv, whose agenda comprises the passing of the resolution in the matter set forth above.

3. **The Majority Required to Pass the Resolution at the Meeting**³

The majority required to pass the resolution at the Meeting is a majority of the shareholders who are entitled to participate in the vote, who are present at the Meeting in person or by proxy, provided that one of the following two conditions is satisfied: (1) the count of the votes of the majority at the general meeting shall include a majority of all the votes of the shareholders who are not controlling shareholders of the Company or entities with a personal interest in the approval of the appointment, with the exception of a personal interest which is not as a consequence of his relationship with the controlling shareholder, who are participating in the vote; the count of all the votes of the said shareholders shall not take into account the votes of the abstaining shareholders; a shareholder with a personal interest shall be subject to the provisions of Section 276 of the Companies Law, *mutatis mutandis*; (2) the total of the votes against, from among the shareholders as stated in paragraph (1) above, shall not exceed a rate of two percent of the total voting rights at the Company.

4. **The Record Date**

The record date for determining the entitlement of a shareholder of the Company to vote at the Meeting as stated in Section 182 (b) of the Companies Law, is at the end of the Stock Exchange trading day of Thursday, April 6, 2017, and if no trading is conducted on the Record Date, then on the first trading day prior thereto.

5. **Proof of Ownership of a Share**

In accordance with the Companies Regulations (Proof of Ownership of a Share for the Purpose of Voting at the General Meeting), 5760 – 2000, a shareholder in whose favor a share is registered with a member of the Tel Aviv Stock Exchange Ltd. and which share is included amongst the shares of the Company which are registered in the Register of Shareholders, in the name of a nominee company, and who wishes to vote at the general meeting, shall submit to the Company confirmation from the said member of the Stock Exchange, with whom his title to the share is registered, with regard to his ownership of the share, on the Record Date, in accordance with Form 1 in the Schedule to the said Regulations.

6. **Quorum**

Pursuant to the Company's Articles, the quorum for the purpose of holding the Meeting shall be constituted when five shareholders are present, whether in

³ It is noted that the holding rate of the Controlling Shareholders of the Company shall not grant the Controlling Shareholders the majority required to pass the proposed resolution on the Meeting's Agenda.

This is an English convenience translation of the original Hebrew version. In case of any discrepancy, the binding version is the Hebrew original.

person or by proxy, who have at least twenty five percent of the voting rights. If there is no quorum at the general meeting at the expiration of half an hour from the time appointed for the commencement of the Meeting, the Meeting shall stand adjourned by one week to the same day and to the same time and the same place, without it being necessary to give notice thereof to the shareholders, and if no quorum is constituted at the adjourned meeting at the expiration of half an hour from the time appointed for the Meeting, the shareholders present shall constitute a quorum.

7. **The Manner of Voting**

For the purpose of the proposed resolution, a shareholder who is entitled to participate in and vote at the Meeting, may vote in person or by proxy, in accordance with that stated in the Company's Articles, and also, through an electronic voting form which shall be transmitted to the Company through the electronic voting system.

7.1 **Voting By Proxy**

A shareholder who wishes to vote by proxy, as set forth above, shall deposit the Power of Attorney at the Company's registered office at least 48 hours prior to the time appointed for the Meeting or for the adjourned meeting, if any.

7.2 **Voting By Voting Form**

In accordance with the Companies Regulations (Voting in Writing and Position Statements), 5765 – 2005 (hereinafter: the “**Voting Regulations**”), a shareholder who is entitled to participate in and vote at the Meeting, may vote on a resolution submitted for the Meeting's approval, by using a voting form. For this purpose, the vote of the shareholder who voted using a voting form shall be counted, as if he had been present at and participated in the Meeting. The vote using a voting form, with regard to a shareholder who wishes to vote using a voting form instead of his participation at the Meeting in person and/or by proxy, shall be done using the Second Part of the Voting Form, which is attached herewith as **Appendix B** to this Report.

The Voting Form and the documents that need to be attached thereto as specified in the Voting Form shall be submitted to the Company's offices up to 4 hours prior to the time for the convening of the Meeting. For this purpose, the time of submission is the time when the Voting Form and the documents that need to be attached thereto arrived at the Company's offices. The last date for submission of position statements is up to 10 days after the Record Date. A member of the Stock Exchange shall send, by e-mail, without consideration, the link to the text of the Voting Form and the voting forms on the Distribution Site, to any shareholder who is not registered in the Register of Shareholders, and whose shares are registered with the said Stock Exchange member, unless the shareholder notified the Stock Exchange member that he does not wish to receive such link or unless he gave notice that he wishes to receive voting forms by post, in consideration of mailing costs only.

This is an English convenience translation of the original Hebrew version. In case of any discrepancy, the binding version is the Hebrew original.

The addresses of the websites of the Israel Securities Authority and the Tel Aviv Stock Exchange Ltd., where the text of the Voting Form, the position statements (if submitted to the Company) and the updated agenda (if published) are available, are as set forth below – the distribution site of the Israel Securities Authority is: <http://www.magna.isa.gov.il> (hereinafter: the “**Distribution Site**”); and the website of the Tel Aviv Stock Exchange Ltd. is: <http://maya.tase.il>. A shareholder may also apply directly to the Company and receive from it the text of the Voting Form and the position statements, if submitted.

One or more shareholders holding shares at a rate which constitutes five percent or more of the total voting rights at the Company, and also any shareholder holding such rate out of the total voting rights which are not held by the controlling shareholder of the Company, as defined in Section 268 of the Companies Law, may inspect the voting forms as specified in Regulation 10 of the Voting Regulations.

As of the present date, the number of shares which constitute 5% of the total voting rights of the Company is: 381,307 ordinary shares having a par value of NIS 1.00 each of the Company.

As of the present date, the number of shares which constitute 5% of the total voting rights of the Company which are not held by the controlling shareholder of the Company is: 178,179 ordinary shares having a par value of NIS 1.00 each of the Company.

7.3 Voting Through the Electronic System

A non-registered shareholder may vote using a voting form that is transmitted to the Company through the Electronic Voting System (as defined below), all in accordance with and subject to the terms and conditions set forth in the Voting Regulations.

After the Record Date, upon receipt of an identification number and an access code from the member of the Stock Exchange, and after a process of identification, a non-registered shareholder may vote through the electronic system, which operates pursuant to Article B of Chapter G2 of the Securities Law, 5728-1968 (hereinafter: the “**Electronic Voting System**” and the “**Securities Law**”, respectively). The address of the Electronic Voting System, as construed in Section 44K of the Securities Law, is: <https://votes.isa.gov.il>.

In accordance with and subject to the terms and conditions set forth in the Voting Regulations and the instructions of the Israel Securities Authority in this matter, voting through the Electronic Voting System will be possible for up to six (6) hours prior to the time for the convening of the Meeting or at an earlier time as shall be determined by the Israel Securities Authority, provided that it shall not exceed 12 hours prior to the time for the convening of the Meeting (hereinafter: the “**System Closing Time**”). It should be clarified that a vote cast through the Electronic Voting System

This is an English convenience translation of the original Hebrew version. In case of any discrepancy, the binding version is the Hebrew original.

may be modified or cancelled up until the System Closing Time, and it may not be modified through the Electronic Voting System after this time.

If a shareholder voted in more than one of the aforesaid ways, his later vote shall be counted, and the vote of a shareholder in person at the Meeting or by proxy shall be deemed to be later than a vote using a voting form or a vote using the Electronic Voting System. A non-registered shareholder who submitted to the Company confirmation of ownership through the Electronic Voting System, and who wishes to vote using other means of voting, is not required to submit to the Company new confirmation of ownership for the purpose of voting at the adjourned meeting, if any.

8. **Adding an Item to the Agenda**

A request by a shareholder, pursuant to Section 66(B) of the Companies Law, to include an item on the agenda of the Meeting shall be submitted to the Company up to seven days after the Meeting is called, provided that the item is appropriate to be discussed at the Meeting. Should the Board of Directors of the Company find that the matter that was asked to be included on the agenda is appropriate to be discussed at the Meeting, the Company shall prepare an updated agenda and it shall publish it on the Distribution Site, not later than seven days after the last date for the submission of a request by a shareholder for the inclusion of an item on the agenda, as aforesaid. It is clarified that the publication of an updated agenda shall not change the Record Date.

9. **Inspection of Documents:**

The Company's shareholders may inspect the text of the proposed resolution, at the Company's offices, from Sundays to Thursdays, from 09:00 a.m. – 16:00 p.m., by prior arrangement on Tel: 03 – 6844500.

Sincerely yours,

Israel Corporation Ltd.

The name of the authorized signatory to the report and the name of the authorized electronic signatory:

Maya Alcheh-Kaplan

Position: Vice President, General Counsel & Company Secretary

Date of signature: 29/3/2017

This is an English convenience translation of the original Hebrew version. In case of any discrepancy, the binding version is the Hebrew original.

Declaration of Candidate to Serve as an Outside Director

For the attention of:
Israel Corporation Ltd.

Date: **28.3.2017**

**Re: Declaration Regarding Eligibility to Serve as an Outside Director
Pursuant to Sections 240 and 241 of the Companies Law**

I, the undersigned, Joshua Rosensweig , ID No. 013841069, agree to serve as an outside director of Israel Corporation Ltd. (hereinafter: the “**Company**”) and I hereby confirm that the conditions of eligibility have been satisfied in my regard, as set forth in the Companies Law, for my service as an outside director of the Company, and the conditions have been satisfied for my definition as an “**Outside Director**” of the Company, as set forth in my declaration, which is being made in accordance with Sections 224B and 241 of the Companies Law, and in accordance with the terms and definitions set forth in the Law, as set forth below:

1. During the last five years prior to the date of the making of this declaration, I have not been convicted:
 - 1.1 of offenses pursuant to sections 290 – 297, 392, 415, 418 – 420, and 422 – 428 of the Penal Law, 5737-1977, and pursuant to sections 52C, 52D, 53(a) and 54 of the Securities Law, 5728-1968 (hereinafter: the “**Securities Law**”);
 - 1.2 in a court outside of Israel, of the offenses of bribery, fraud, administrative offenses in a corporation, or offenses of the misuse of inside information;
 - 1.3 of any other offense where the Court determined that, as a consequence of the nature, severity or circumstances thereof, I am not eligible to serve as a director of a public company.
2. The Administrative Enforcement Committee has not imposed on me any means of enforcement which prohibit me from serving as a director of the Company.
3. I am an adult, I have not been declared by a court to be incapacitated pursuant to the Legal Capacity and Guardianship Law, 5722-1962, and I have not been declared bankrupt pursuant to the Bankruptcy Ordinance (New Version), 5740-1980.
4. I am not a relative of the controlling shareholder of the Company, and neither I nor my relative, my partner, my employer, any person I am subordinate to, either directly or indirectly, or any corporation of which I am the controlling shareholder, on the date of the appointment or in the two years preceding the appointment, have any connection to the Company, to the controlling shareholder of the Company or to a relative of the controlling shareholder, on the date of the appointment, or to any other corporation.

This is an English convenience translation of the original Hebrew version. In case of any discrepancy, the binding version is the Hebrew original.

5. Neither I nor my relative, my partner, my employer, any person I am subordinate to, either directly or indirectly, or any corporation of which I am the controlling shareholder, have any professional or business relationship to the Company, to the controlling shareholder of the Company or to a relative of the controlling shareholder, or to any other corporation, even if the said relationship is not in a general manner, and I have not received and I am aware that I am not entitled to receive any consideration in contravention of the provisions of section 244 (b)¹ of the Companies Law.
6. My position or my other engagements do not create or may not create a conflict of interests with my position as a director of the Company, and they do not restrict and/or harm my ability to serve as a director of the Company and/or as a member of any of the committees of the Board of Directors.
7. I do not serve as a director of any other company at which one of the members of the Board of Directors of the Company serves as an outside director.
8. I am not an employee of the Israel Securities Authority or of the Stock Exchange in Israel.
9. I have not served as a director of the Company for over nine consecutive years.²
10. I possess the qualifications required and the ability to devote the appropriate amount of time to perform the position of a director of the Company, whilst paying attention, *inter alia*, to the Company's special needs and its size, *inter alia*, based on my education, my experience and my occupation, as set forth in the questionnaire of personal details, which is attached to this Declaration.
11. In view of my education, experience and occupation in the past and in the present, and my qualifications, and based on the foregoing:
 - [X] *I possess professional qualifications;*
 - [X] *I possess financial and accounting expertise.*
12. I hereby declare that I am aware of the Companies Regulations (Rules Regarding Remuneration and Expenses for an Outside Director), 5760-2000 (hereinafter: the "**Remuneration Regulations**").
 - 12.1 I am aware that the remuneration and expenses that I will be entitled to from the Company will be in accordance with the Company's grade, as set forth in the Remuneration Regulations and according to the Company's determination on this manner.

¹ Consideration in contravention of the provisions of section 244 (b) of the Companies Law means that in addition to the remuneration to which the director is entitled, and to the reimbursement of expenses, no other consideration shall be received, either directly or indirectly, due to his term in office as a director of the Company; for the purpose of this section, the grant of an exemption, an indemnity undertaking or insurance pursuant to the provisions of Article C of the Third Chapter of the Law shall not be deemed to be consideration.

² As regards the count of the years, the cessation of service that does not exceed two years shall not be deemed as disrupting the continuity of the term in office.

This is an English convenience translation of the original Hebrew version. In case of any discrepancy, the binding version is the Hebrew original.

12.2 Prior to my acceptance of the position, the annual compensation for an external director was brought to my attention and consent.

13. I do not hold securities that may be converted or exercised into shares of the Company and/ or other securities of the Company, of a subsidiary or of a company related to the Company. I am aware that I must immediately report to the Company regarding any increase or decrease in my holdings in securities that may be converted or exercised into shares of the Company and/ or other securities of the Company, of a subsidiary or of a company related to the Company.
14. I am aware that as of the date of this Declaration, the Company is a significant, non-financial corporation, as this term is construed in the Encouragement of Competition and the Reduction of Economic Concentration Law, 5774-2013 (hereinafter: the "Economic Concentration Law"), and also in accordance with the Control of Financial Services (Insurance) Law 5741-1981 and/or the Banking Ordinance, 1941 and/or the Joint Investment Trust Law, 5754-1994 and/or the Regulation of Engagement in Investment Advice, Investment Marketing and Investment Portfolio Management Law, 5755-1995, restrictions may apply to the service of a director at a significant non-financial corporation concurrently with his service at a significant financial entity, as defined in the Economic Concentration Law, which is one of the following entities: (a) an insurer; (b) a banking corporation; (c) a fund manager; and (d) a portfolio management company, as these terms are defined and construed in the above-mentioned laws, as the case may be, and I hereby confirm that in accordance with the foregoing, there is no impediment to my serving as a director of the Company.
15. I hereby declare and undertake to the Company that should any change occur in respect of any of my declarations as set forth above and/or should any impediment be created of any kind or nature that would prevent my continued classification as an outside director of the Company (including in connection with any of the conditions set forth in any law, and *inter alia*, in the Companies Law and/or in the Companies Regulations and/or in the Securities Law, as shall be enacted from time to time), I shall inform the Company thereof immediately and without any delay, so that my term in office as an outside director shall expire on the date of the provision of the notice.
16. I am aware that the Company is relying upon this declaration of mine for the purpose of my appointment as a member of the Board of Directors of the Company, and on the committees of the Board of Directors of the Company (including my service on committees where my classification as an outside director constitutes a prerequisite for my service thereon).

[Signature]

[Full name and signature]

This is an English convenience translation of the original Hebrew version. In case of any discrepancy, the binding version is the Hebrew original.

ISRAEL CORPORATION LTD.

VOTING FORM

In accordance with the Companies Regulations (Voting in Writing and Position Statements), 5765 – 2005 (hereinafter: the “Voting Regulations”)

FIRST PART

1. **Name of the Company**

Israel Corporation Ltd. (hereinafter: the “Company”).

2. **Type of the Meeting, the Date and the Venue**

A special general meeting, which shall be held at the Company’s offices, at 23 Aranha St. (Millennium Tower), Tel Aviv, on Monday, May 8, 2017, at 10:00 a.m. (hereinafter: the “Meeting”), and any adjourned meeting.

3. **Details of the Item on the Agenda**

3.1 **The Appointment of Dr. Joshua Rosensweig as an Outside Director**

The appointment of Dr. Joshua Rosensweig as an outside director of the Company for a three-year period, commencing on May 8, 2017, who shall be entitled to the terms of office as set forth in the report convening the Meeting, to which this Voting Form is attached (hereinafter: the “**Report Convening the Meeting**”). The appointment of Dr. Joshua Rosensweig was recommended by Clal Insurance Enterprises Holdings Ltd., shareholders of the Company.

Details regarding Dr. Joshua Rosensweig, in accordance with Regulation 26 of the Securities Regulations (Immediate and Periodic Reports) 5730-1970, are presented in Section 1.4 of the Report Convening the Meeting to which this Voting Form is attached.

The Text of the Proposed Resolution: “**To appoint Dr. Joshua Rosensweig as an outside director of the Company, who shall be entitled to the terms of office as stated in the Report Convening the Meeting, for a three-year term in office, commencing on May 08, 2017.**”

This is an English convenience translation of the original Hebrew version. In case of any discrepancy, the binding version is the Hebrew original.

4. **The Place and Times Where it is Possible to Inspect the Text of the Proposed Resolution**

The Company's shareholders may inspect the Report Convening the Meeting, the text of the proposed resolution and also the position statements, if submitted, at the offices of the Company's Legal Department, at 23 Aranha St. (Millennium Tower), Tel Aviv, from Sundays to Thursdays, from 09:00-16:00, and by prior arrangement on Tel: 03-6844500, up until the date for the convening of the Meeting. In addition, the Report Convening the Meeting (including the appendices thereto) and the position statements, if submitted, as construed in Section 88 of the Companies Law, 5759-1999 (hereinafter: the "Companies Law") are available for inspection on the Distribution Site of the Israel Securities Authority and the Tel Aviv Stock Exchange Ltd., whose addresses are www.magna.isa.gov.il and www.maya.tase.co.il.

5. **The Majority Required to Pass the Resolution at the Meeting**

The majority required to pass the resolution which is the subject of Section 3.1 on the agenda – is a majority of the shareholders who are present at the Meeting, in person or by proxy, and who are entitled to participate in the vote, provided that one of the following conditions has been satisfied: (a) the count of the votes of the majority shall include a majority of all the votes of the shareholders who are not controlling shareholders of the Company or entities with a personal interest in the approval of the resolution, and who are participating in the vote; the count of all the votes of the said shareholders shall not take into account the votes of the abstaining shareholders; (b) the total of the votes against, from among the shareholders as stated in sub-paragraph (a) above, shall not exceed a rate of two percent of the total voting rights at the Company.

For this purpose, it should be clarified that the Company is not a second-tier public company (as this term is defined in the Companies Law). It should also be noted that in accordance with the provisions of Section 267 of the Companies Law, prior to the vote, any shareholder who wishes to participate in the vote on the resolution shall be required to inform the Company whether he has a personal interest in the approval of the resolution or not. Should the shareholder fail to give notice as aforesaid, he shall not vote at the Meeting and his vote shall not be counted. It

This is an English convenience translation of the original Hebrew version. In case of any discrepancy, the binding version is the Hebrew original.

should be noted that the obligation to give notice of the existence or absence of a personal interest, as aforesaid, also applies to a shareholder who wishes to participate in the vote by proxy, and also to a shareholder who votes through the Electronic Voting System.

6. **Mention of a Shareholder's Connection**

In the Second Part of the Voting Form, space is allocated for marking whether the shareholder has or does not have a connection, as required pursuant to the provisions of the Companies Law, and for giving a description of the nature of the relevant connection, as well as for marking another characteristic of the shareholder. **It is hereby clarified that should a shareholder fail to mark such a space, or should he not describe the nature of the connection, his vote shall not be included in the count of the votes.**

7. **Validity of the Voting Form**

7.1 The Voting Form shall be valid solely if the following is attached thereto: "Confirmation of Ownership" (a power of attorney from the nominee company proving the ownership of the share; hereinafter: "**Confirmation of Ownership**") of the non-registered shareholder (i.e., a shareholder in whose favor shares are registered with a Stock Exchange member and which shares are included amongst the shares registered in the Register of Shareholders, in the name of the nominee company), or if Confirmation of Ownership was sent to the Company through the Electronic Voting System, or a photocopy of an ID card, passport or certificates of incorporation, if the shareholder is registered in the Company's books.

7.2 The last time for delivery of the voting forms is up to 4 hours prior to the time of the general meeting. For this purpose, the time of delivery is the time at which the Voting Form and the documents that need to be attached thereto arrived at the Company's offices, whose address is specified in Section 10 below.

A voting form that is not submitted in accordance with the foregoing in this section shall not be valid.

This is an English convenience translation of the original Hebrew version. In case of any discrepancy, the binding version is the Hebrew original.

8. **The Record Date for Determining a Shareholder's Entitlement to Participate in and Vote at the Meeting**

The Record Date for determining a shareholder's entitlement to vote at the general meeting, as stated in Section 182(b) of the Companies Law, 5759-1999, is Thursday, April 6, 2017 (hereinafter: the "**Record Date for Voting at the Meeting**").

9. **Voting Through the Electronic Voting System**

A non-registered shareholder may vote using a voting form that is transmitted to the Company through the Electronic Voting System (as defined below), all in accordance with and subject to the terms and conditions set forth in the Voting Regulations.

After the Record Date, upon receipt of an identification number and an access code from the member of the Stock Exchange, and after a process of identification, a non-registered shareholder may vote through the electronic system, which operates pursuant to Article B of Chapter G2 of the Securities Law, 5728-1968 (hereinafter: the "**Electronic Voting System**" and the "**Securities Law**", respectively). The address of the Electronic Voting System, as construed in Section 44K of the Securities Law, is: <https://votes.isa.gov.il>.

In accordance with and subject to the terms and conditions set forth in the Voting Regulations and the instructions of the Israel Securities Authority in this matter, voting through the Electronic Voting System will be possible for up to six (6) hours prior to the time for the convening of the Meeting or at an earlier date as to be determined by the Israel Securities Authority, provided that it shall not exceed twelve (12) hours prior to the time for the convening of the Meeting (hereinafter: the "**System Closing Time**"). It should be clarified that a vote cast through the Electronic Voting System may be modified or cancelled up until the System Closing Time, and it may not be modified through the Electronic Voting System after this time.

This is an English convenience translation of the original Hebrew version. In case of any discrepancy, the binding version is the Hebrew original.

If a shareholder voted in more than one of the aforesaid ways, his later vote shall be counted, and the vote of a shareholder in person at the Meeting or by proxy shall be deemed to be later than a vote using a voting form.

10. **The Company's Address for Delivering Voting Forms and Position Statements**

At the Company's offices, at 23 Aranha St. (Millennium Tower), Tel Aviv.

11. **The Last Date for Delivering Position Statements**

11.1 The last date for the submission of position statements is up to ten days prior to the date of the Meeting, and the last date for the submission of the Board of Directors' response to a position statement is up to five days prior to the date of the Meeting.

11.2 The "record date" is the date for determining the eligibility of a shareholder of the Company to vote at the general meeting, in accordance with the Companies Law, at the end of the trading day on the Stock Exchange (if any) on Thursday, April 6, 2017 (hereinafter: the "**Record Date**").

12. **Addresses of the Distribution Site and the Website of the Stock Exchange, Where the Voting Forms and Position Statements are Available**

12.1 The address of the Distribution Site of the Israel Securities Authority is:
<http://www.magna.isa.gov.il>.

12.2 The address of the website of the Tel Aviv Stock Exchange Ltd. is:
<http://maya.tase.co.il>.

13. **Additional Comments, as Required Pursuant to the Voting Regulations**

13.1 A shareholder is entitled to receive the Confirmation of Ownership, as defined in Section 71 of the Companies Law, and as stated in Section 7.1 above, at the branch of the Stock Exchange member or by dispatch by post, in consideration of mailing costs only, if he so requested. A request in this matter shall be given in advance, for a particular securities account.

This is an English convenience translation of the original Hebrew version. In case of any discrepancy, the binding version is the Hebrew original.

- 13.2 A shareholder may contact the Company directly to receive from it, without charge, the text of the Voting Form and the position statements, if submitted, or, with his consent, a link to the text of the Voting Form on the Distribution Site and the position statements, if submitted.
- 13.3 A shareholder who is not registered may receive by email, without charge, a link to the text of the Voting Form and the position statements (if any) on the Distribution Site, from the Stock Exchange member through which he holds his shares, unless he informed the Stock Exchange member that he does not wish to receive such a link or that he wishes to receive voting forms by post, in consideration of payment. The non-registered shareholder's notice with respect to the voting forms shall also apply with respect to the receipt of position statements (if any).
- 13.4 One or more shareholders who hold shares at a rate constituting five percent or more out of the total voting rights at the Company and also a shareholder who holds such a rate out of all the voting rights which are not held by the controlling shareholder of the Company, as defined in Section 268 of the Companies Law, is entitled to inspect the voting forms, as set forth in Regulation 10 of the Voting Regulations.
 - 13.4.1 As of the date of sending this Voting Form, the number of the shares that constitutes 5% of the total voting rights at the Company (without dilution) is: 381,307 ordinary shares.
 - 13.4.2 As of [the date of] the sending of this Voting Form, the number of the shares that constitutes 5% of the total voting rights at the Company (without dilution) which are not held by the controlling shareholders of the Company, as this term is defined in Section 268 of the Companies Law, is: 178,179 ordinary shares.
14. A shareholder shall state the manner of his voting with respect to the item on the agenda and in respect of which he may vote using this Voting Form, in the Second Part of this Voting Form.

This is an English convenience translation of the original Hebrew version. In case of any discrepancy, the binding version is the Hebrew original.

15. After the date of publication of this Voting Form, there may be changes to the agenda of the Meeting which is the subject of this Voting Form (including the addition of an item to the agenda), and position statements may be published in matters pertaining to this voting form. It shall be possible to inspect the up-to-date agenda of the Meeting, as aforesaid, and the position papers, if submitted, in the Company's reports on the Distribution Site.

An amended voting form, insofar as required, as a consequence of changes to the resolutions on the agenda, shall be published by the Company on the Distribution Site concurrently with the publication of the changes to the resolutions, as aforesaid, not later than the dates set forth in Regulation 5B of the Companies Regulations (Notice and Announcement of a General Meeting and a Class Meeting at a Public Company), 5760-2000.

* * *

This is an English convenience translation of the original Hebrew version. In case of any discrepancy, the binding version is the Hebrew original.

ISRAEL CORPORATION LTD.

VOTING FORM

In accordance with the Companies Regulations (Voting in Writing and Position Statements), 5765-2005 (hereinafter: the “Voting Regulations”)

SECOND PART

Part A:

1. **Name of the Company:** Israel Corporation Ltd. (hereinafter: the “**Company**”); Public Co. No. 52-002801-0.
2. **Company’s Address (for delivering and sending voting forms):** 23 Aranha St. (Millennium Tower), Tel Aviv.
3. **Date of the Meeting:** Monday, May 8, 2017, at 10:00 a.m., and any adjourned meeting.
4. **Type of the Meeting:** A special general meeting.
5. **Record Date:** Thursday, April 06, 2017.
6. **Voting by Internet:** The Company allows voting through the Internet.

Part B (to be completed by the shareholders):

1. **Details of the Shareholder**

- 1.1 Name of the Shareholder: _____.
- 1.2 ID No.: _____.
- 1.3 Passport No. (if the shareholder does not possess an Israeli ID card): _____.
- 1.4 The country in which the passport was issued (if the shareholder does not possess an Israeli ID card): _____.
- 1.5 The passport is valid until (if the shareholder does not possess an Israeli ID card): _____.
- 1.6 Corporation No. (if the shareholder is a corporation): _____.
- 1.7 Country of incorporation (if the shareholder is a corporation): _____.

This is an English convenience translation of the original Hebrew version. In case of any discrepancy, the binding version is the Hebrew original.

APPENDIX B – VOTING FORM

2. Manner of Voting

Number of the Item on the Agenda	Manner of Voting ¹			Are you a controlling shareholder of the Company, an interested party in the Company, a senior officer of the Company or an institutional investor ²	
	For	Against	Abstain	No	Yes
Section 3.1 – The appointment of Dr. Joshua Rosensweig as an outside director of the Company, who shall be entitled to the terms of office as stated in the Report Convening the Meeting, for a three-year term in office, commencing on May 8, 2017.					

Are you an interested party in the Company³, a senior officer of the Company⁴ or an institutional investor⁵? Yes _____ No _____

*** Please specify the nature of the relevant connection, as the case may be:**

3. Comments in Accordance with the Voting Regulations:

3.1 Shareholders holding shares through a Stock Exchange member (pursuant to section 177(1) of the Companies Law, 5759-1999) – this Voting Form is valid solely upon the attachment of Confirmation of Ownership.

3.2 Shareholders registered in the Company's Register of Shareholders – the Voting Form is valid upon the attachment of a photocopy of the ID card/ passport/ certificate of incorporation.

¹ Failure to mark a response in this part shall be deemed to be abstaining in the vote on the said matter.

² The vote of a shareholder who fails to complete this column, or who marks "Yes", but fails to give details, shall not be included in the count of votes. It is not necessary to specify a personal interest in the approval of the appointment which is not as a consequence of a relationship with the controlling shareholder.

³ As defined in the Securities Law.

⁴ As defined in the Securities Law.

⁵ As defined in Regulation 1 of the Supervision of Financial Services (Provident Funds) (Management Company's Participation in General Meeting) Regulations, 5769 – 2009; and also a joint investment mutual fund manager as construed in the Joint Investment Trust Law, 5754 – 1994

This is an English convenience translation of the original Hebrew version. In case of any discrepancy, the binding version is the Hebrew original.

3.3 This form must be delivered to the Company, or sent by registered post, so that this Voting Form and the aforesaid documents will be received at the Company's registered office not later than four hours prior to the time for the convening of the general meeting. A voting form that arrives later shall not be deemed to be present at the meeting for the purpose of the constitution of the quorum for voting, and it shall not be counted in the vote.

Date: _____

Shareholder's Signature