



April 16, 2018

**“Bezeq” The Israel Telecommunication Corp Limited
 (“The Company”)**

Voting Slip in accordance with the Companies Ordinances (Voting Slips and Position Notices), 2005 ("the Regulations")

Voting Slip – Part 1

1. **Company Name:** “Bezeq” The Israel Telecommunication Corp Limited
2. **Type of General Meeting, date and place:** A Special General Meeting of the Company’s shareholders will take place on Monday, May 21, 2018 at 11am at the Company’s offices at the Azrieli Centre 2, Triangular Building, 27th Floor, Tel-Aviv.
3. **Details of subject on the agenda that can be voted on using the voting slip:**

3.1 Approval of amendment to the Company's compensation policy

It is proposed approving the amendment to the Company’s Compensation Policy as detailed below (section 8.1 of the Compensation Policy, the changes highlighted).

Bezeq will contract from time to time with one or more insurance companies concerning insurance for directors and other officers, as they shall be from time to time, for officers’ liability insurance policies. Bezeq may include in these policies directors and officers of its subsidiaries. The limit for cover in these insurance policies shall be between USD 100 - 250 million per claim and in aggregate for each insurance year and an additional USD 20 million for legal expenses. The annual premium that Bezeq will pay shall not exceed **USD 1 million with a deductible of up to USD 1 million.**

- 3.2 For details of the item on the agenda, see the report of convening the Meeting attached to this voting slip.

4. Majority required to pass the resolution on the agenda:

4.1 The majority required to pass the resolution detailed in section 3.1 above, is a regular majority of all the votes of shareholders present at the Meeting entitled to vote in this vote, on condition that one of the following is fulfilled:¹

(1) The count of the majority votes at the General Meeting shall include a majority of all the votes of shareholders who are not controlling shareholders in the Company or personally interested parties to the approval of the item on the agenda, as applicable, who are taking part in the vote; in the count of all votes of the shareholders, with abstentions not being taken into account.

(2) The total number of votes against among the shareholders stipulated in sub-clause (1) above shall not exceed two percent of all voting rights in the Company.

5. Marking shareholder's relationship:

A shareholder participating in a vote on a resolution on the agenda will mark in Part Two of the voting slip, in the place reserved for this, whether he/she is a controlling shareholder of the Company, an interested party, has a personal interest in the amendment, is a senior officer or institutional investor, as required by the provisions of the Companies Law, and shall describe the defining category or connection as stated, insofar as such exists. Someone who does not mark as stated or did not describe the defining category or connection as stated, will not have their vote counted.

6. Validity of voting slip:

6.1 The voting slip shall be valid for a shareholder whose entitlement is registered with a member of the stock exchange and such shares are included among the shares on the Company's register of shareholders in the name of the registration company ("Unregistered Shareholder"), only if confirmation of ownership is attached as of the Date of Record to participate and vote at the Meeting, which will be at the end of trading on the TASE on April 23, 2018 ("the Date of Record"), or if confirmation of ownership is sent to the Company using the electronic voting system (as defined in the Companies Regulations (Vote in Writing and Position Notices), 2005 ("Electronic Voting System")).

¹ According to section 267A(b) of the Companies Law.

- 6.2 The voting slip shall be valid for a shareholder registered as a shareholder on the Company's register of shareholders ("Registered Shareholder"), only if a copy of their identity card, passport or certificate of incorporation is attached.
- 6.3 A shareholder who wishes to vote using this voting slip must present the voting slip and the applicable documents to the Company's offices at the address stated below, not later than four (4) hours from the time of convening of the General Meeting. In this respect, "Date of Submission" is the date a voting slip and accompanying documents arrive at the Company's offices.
- 6.4 A voting slip not submitted in accordance with what is stipulated above shall not be valid.

7. Voting using the electronic voting system:

- 7.1 An Unregistered Shareholder is entitled to vote on the item on the agenda detailed above using a voting slip that is transferred through the electronic voting system. Voting using the electronic voting system will be possible, in accordance with and subject to the conditions set for an electronic voting system and the provisions of the Securities Authority in this matter, from the time of receipt of confirmation from the electronic voting system of safe receipt of the list of those entitled to vote using the electronic voting system and up until six (6) hours prior to the time of convening the General Meeting, namely 5am on May 21, 2018 ("Time of Closing the System"), when the electronic voting system will be closed.
- 7.2 Voting using the electronic voting system can be changed or canceled up until the Time of Closing the System and it will not be possible to change it using the electronic voting system after this time. It should be noted that in accordance with section 83(D) of the Companies Law, in the event that a shareholder votes by more than one method, the last vote will be counted, which in this case a vote by the shareholder himself or by way of a proxy shall be deemed later than voting using the electronic voting system. The Company does not allow voting over the Internet that does not use the electronic voting system.

8. Company's address for delivering voting slips and position notices:

"Bezeq" The Israel Telecommunication Corp Limited, Corporate Secretary's Office, the Azrieli Centre 2, Triangular Building, 27th Floor, Tel-Aviv.

- 9.** The latest date for submission of position notices is May 11, 2018.
The latest date for provision of responses by the Board of Directors to statements of position is May 16, 2018.
- 10.** Addresses of websites where the wording of the voting slip and position papers can be found:
1. The distribution website address of the Securities Authority: www.magna.isa.gov.il.
 2. www.magna.isa.gov.il, the website of the Tel-Aviv Stock Exchange Ltd: www.maya.tase.co.il
 3. Company's website: www.bezeq.co.il.
- 11.** A shareholder is entitled to receive a confirmation of ownership at a branch of the stock exchange member or by mail, if he/she so requests. A request in this regard shall be provided in advance for a specific shares account. An Unregistered Shareholder is entitled to give instructions that its confirmation of ownership shall be transferred to the Company using the electronic voting system.
- 12.** An Unregistered Shareholder is entitled to receive free of charge by e-mail a link to the text of the voting slip and position notices on the distribution website of the Securities Authority, from a stock exchange member through whom his/her shares are held, unless he/she informed the member of the stock exchange that they are not interested to receive the said link, or that they are interested to receive the voting slips by mail for a fee; the statement concerning the voting slip shall also apply to receiving the position notices. Similarly, any shareholder may contact the Company directly, to receive from it the wording of the voting slip and position notices.
- 13.** One or more shareholders holding shares at the Date of Record that represent five percent or more of the Company's voting rights, and also a shareholder holding the said amount out of the total voting rights not held by a controlling shareholder in the Company as defined in section 268 of the Companies Law, is entitled personally or through a proxy acting on their behalf after the General Meeting will have convened to inspect the voting slips received at the Company, at its registered offices during regular office hours, by prior appointment as stated above.
- 14.** The number of shares representing 5% of all voting rights in the Company as of the date of issue of this report is 138,274,288 of the Company's ordinary shares. The number of shares representing 5% of the Company's total voting rights that are not held by a controlling shareholder of the Company as

defined in section 268 of the Companies Law as of the date of issue of this report is 101,801,406 of the Company's ordinary shares.

- 15.** A shareholder shall indicate his/her vote on the items on the agenda on the form that is Part 2 of this voting slip.
- 16.** After publication of the voting slip it is possible there will be changes to the agenda, including the addition of an item to the agenda, and position notices are likely to be published; it will be possible to examine the updated agenda and the published position notices in the Company's reports on the distribution website.
- 17.** The last date that the Company can issue a modified voting slip, if the addition of an item is required to the agenda, is April 30, 2018.
- 18.** A shareholder is entitled, up to 24 hours prior to convening of the Meeting, to contact the Company's registered offices and after having proven their identity to the satisfaction of the Company's Corporate Secretary, or another employee appointed for the purpose, to withdraw their voting slip and its proof of ownership.

“Bezeq” The Israel Telecommunication Corp Limited (“The Company”)

Voting Slip – Part 2

Companies Regulations (Voting Slips and Position Notices), 2005 (“the Regulations”).

Company Name: “Bezeq” The Israel Telecommunication Corp Limited

Company’s address (for submitting and sending voting slips): “Bezeq” The Israel Telecommunication Corp Limited, Corporate Secretary's Office, the Azrieli Centre 2, Triangular Building, 27th Floor, Tel-Aviv.

Company No.: 52-003193-1

Date and time of meeting: May 21, 2018

Type of meeting: Special General Meeting

Date of Record: April 23, 2018.

Details of shareholder:

Name of shareholder:

ID No.:

If the shareholder does not have an Israeli ID No.-

Passport No.:

Country of issue:

Valid until:

If the shareholder is a company -

Company No.:

Country of incorporation:

Manner of vote:

Item on the agenda	Manner of vote ¹			Are you a controlling shareholder, interested party, have a personal interest in the resolution, a senior officer or institutional investor ² ?	
	In favor	Against	Abstain	Yes ³	No

Amendment to the Company's Compensation Policy as stated in section 3.1 above.					
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(1) Not marking shall be deemed abstention for that item.

(2) If a shareholder does not complete this column or who marks "Yes" and does not specify, his/her vote will not be counted. There is no need to specify personal interest in an approval of an appointment that is not related to a controlling shareholder.

(3) Kindly add details if you are a controlling shareholder, interested party, have a personal interest in the resolution, a senior officer or institutional investor:

For shareholders whose shares are held by a stock exchange member (in accordance with section 177(1) of the Companies Law) – this voting slip is only valid if accompanied by confirmation of ownership except in cases where voting uses the electronic voting system.

For shareholders registered in the Company's register of shareholders – this voting slip is only valid if accompanied by a photocopy of the identity card / passport / certificate of incorporation.

Date

Shareholder's signature

The above information constitutes a translation of the Immediate Report published by the Company. The Hebrew version was submitted by the Company to the relevant authorities pursuant to Israeli law, and represents the binding version and the only one having legal effect. This translation was prepared for convenience purposes only.