



May 1, 2019

Immediate Report

Petition to Approve Class Action against Pelephone and Bezeq International

On April 30, 2019 the Company received notices from its subsidiaries, Pelephone Communications Ltd ("Pelephone") and Bezeq International Ltd ("Bezeq International") concerning a claim and a petition to have it approved as a class action, filed against them and 6 other communications services companies (jointly "the Respondents") at the Central District Court (the claim and the petition have not yet been served to Bezeq International). The subject of the claim is the assertion that the Respondents do not inform their customers as required of the possible dangers in the use of the Internet and the possibility of joining a free content filtering service, in contravention of the Communications Law. In addition, the Respondents provide a filtering service for websites and harmful content that in their opinion is insufficiently effective. According to the petitioners, this represents, *inter alia*, a violation of obligations under the Torts Ordinance, a breach of contract, and unjust enrichment.

In the petition there is stated an overall estimate of damage for all the Respondents together, as claimed, on the low side, of tens of millions of shekels.

It should be noted that in 2015 a petition was filed against Bezeq International to approve a class action on similar grounds, which was approved as a class action in 2018. In this matter, see the Company's Immediate Reports dated January 25, 2015, April 11, 2018 and section 4.12(C) of the Chapter on the Description of the Company's Business in the Company's 2018 Periodic Report.

Pelephone and Bezeq International are studying the details of the claim and the petition to approve it as a class action and it is not possible for them and/or the Company at this stage to assess their chances.

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.