



Immediate Report - Recommendation for setting standard tariff for fiber based Internet services

August 5, 2019

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Tel Aviv, Israel – August 5, 2019 – Bezeq The Israel Telecommunication Corp., Ltd. (TASE: BEZQ), announces today that further to the Company's Immediate Report dated July 25, 2019, an Immediate Report is provided that on August 4, 2019 the Company received hearing documents from the Ministry of Communications concerning a recommendation for setting a standard tariff for fiber based Internet services (FTTP). The recommendations of the Senior Vice President of Economics at the Ministry of Communications were attached to the document. The documents were published in Hebrew on the Ministry of Communications website at –

https://www.gov.il/he/departments/publications/Call_for_bids/04082019

According to the hearing documents, this represents a further layer of the regulations that will apply to the provision of fiber based Internet services, whereby the Ministry is considering not to allow flexibility in tariffs for infrastructure owners (Bezeq and Hot Telecom)^[1], and at the same time to determine that the provision of FTTP services by service providers (who do not have a deployment obligation) cannot discriminate against subscribers based on the type of infrastructure they are using, including if the infrastructure is of the service provider itself or that of another infrastructure owner or other party. Discrimination will be prohibited, whether in different tariffs or in kind.

The date set for submitting comments to the hearing is by August 21, 2019. The Company is studying the hearing documents and will communicate its response in due course.

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.

^[1] It should be noted that the flexibility of tariffs that the Ministry is considering not allowing for infrastructure owners is not possible under current regulations.