



September 11, 2016

## **Immediate Report**

### **Class Action against Pelephone**

The Company has today received notification from its subsidiary Pelephone Communications Ltd ("Pelephone") concerning legal proceedings together with a request to have it approved as a class action, filed against it in the Lod District Court.

According to the claim, Pelephone automatically and obligatorily supplies its subscribers who have exhausted their data volume in the monthly Internet package they had purchased in advance, additional capacity and collects from the subscriber a payment without the latter's prior approval. According to the plaintiff, in this way Pelephone is profiting unfairly.

The plaintiff is petitioning on behalf of every subscriber who has been charged for additional data without advance approval, compensation for financial damage of NIS 95 and compensation for non-financial damage of NIS 200. The total value of the claim is estimated at approximately NIS 295 million.

It should be noted that a case is being heard to approve a class action against Pelephone on the same subject in the Tel-Aviv District Court ("the Existing Petition"). The amount of the claim in the Existing Petition has been estimated at approximately NIS 75 million. In the light of the proceedings of the Existing Petition, Pelephone will act to have the present petition dismissed *in limine*.

*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.*