

Class actions Law – 2006^{*}

Goal of the law

1. The goal of this law is to set uniform rules in the matter of the submitting and managing of class actions, in order to improve the defense of privileges, and in doing so to particularly promote these:

(1) Actualizing the privilege of access to the court house, including the types of the population that find it difficult addressing the court as individuals;

(2) Enforcing the law and deterring its breaking;

(3) Giving proper assistance to those harmed by the violation of the law;

(4) Efficient, fair and exhaustive management of suits.

Definitions

2. In this law –

“Organization” – A corporation, excluding a corporation established in accordance with the law, or consecrated, which exists and operates in a regular and tangible fashion for at least a year with the goal of promoting a public goal, one or more, and its assets and revenues serve only to achieve said public goals, and only one whose activity is not performed on behalf of a political party or other political body or has an affinity to the aforementioned party or body in order to promote their goals;

“Proxy” – An attorney that represents a supplicant or a plaintiff in a request for approval or in a class action, according to interest;

“Stock Market” – A stock market in Israel as defined by the company law;

“Court house” – Including the work court;

“Request for approval” – According to its meaning in clause 5;

“The registry” – According to its meaning in clause 28;

“The courts of administrative affairs law” - The courts of administrative affairs law – 2000¹;

“The consumer protection law” – Consumer protection law – 1981²;

^{*} Received in the Knesset on March 1st, 2006; the bill and explanations were published in the bills of the Knesset – 93, from July 26th, 2005, page 232.

¹ Rule book 1999, page 190.

² Rule book 1980, page 248

“Business restrictions law” - Business restrictions law – 1988³;

“Companies law” – companies’ law – 1999⁴;

“The oversight over insurance law” – the oversight over financial services (insurance) law – 1981⁵;

“The oversight over pension funds law” – The oversight over financial services (pension funds) law – 2005⁶;

“The joint investments in trust law” - The joint investments in trust law – 1994⁷;

“The prevention of environmental hazards law” – The prevention of environmental hazards law (civil suits) – 1992⁸;

“The equal rights for people with disabilities law” - The equal rights for people with disabilities law – 1998⁹;

“Managing company”, “colleague” – as defined by the oversight over pension funds law;

“Insurer”, “Insurance agent” – as defined by the oversight over insurance law;

“Supplicant” – whoever submitted a request for approval of a class action to the court, according to clause 5;

“Clearing house” – as defined in clause 50a of the equities law -1968¹⁰;

“Defendant” – including the one replying in the request for approval;

“Public authority” – a body listed in the first addition;

“Banking corporation” – as defined by the banking law (licensing) – 1981¹¹, as well as an aid organization as defined in the same law;

“Representing plaintiff” – whoever was approved by the court, according to the instructions of this law, as a representing plaintiff in a class action;

³ Rule book 1987, page 128

⁴ Rule book 1998, page 189

⁵ Rule book 1980, page 208

⁶ Rule book 2004, page 880

⁷ Rule book 1993, page 308

⁸ Rule book 1991, page 184

⁹ Rule book 1998, page 152

¹⁰ Rule book 1968, page 234

¹¹ Rule book 1981, page 232

“Class action” – a suit managed in the name of a group of people, who have not given power of attorney to the representing attorney for this suit, and which raises essential questions of fact of trial that are shared by all the members of the group;

“The Minister” – The Minister of Justice.

The submitting of a class action 3. (a) No class action will be submitted unless it is a suit as specified in the second addition or in a matter set in an explicit instruction of the law, which allows for the submitting of a class action; despite the aforementioned, no class action will be submitted against an authority for compensations because of damage caused by a third party, whose cause is the exercise or lack of exercise of oversight, regulation or enforcement authorities of the authority in regards to that third party; in this small clause and in clauses 5(b)2, 9 and 21, “Authority” – as defined in clause 2 of the administrative affairs courts law.

(b) The submitting of a class action requires the approval of the court, and the instructions of this law will apply to its submitting and its management.

Who is allowed to	These are allowed to submit a request for the approval of a class action
Submit a request	to the court as detailed:
to approve a class	(1) A person who has a cause to sue or in the matter as aforementioned
suit and in	in clause 3(a), which invoke essential questions of fact or trial which are
whose name	shared by all the members listed with a group of people – in the name of that group;
	(2) A public authority in a suit or in a case as aforementioned in clause 3 (a), in the area of one of the public goals the authority deals with – in the name of a group of people which the same suit or matter invokes essential questions of fact or trial which are shared by all the members listed on it;
	(3) An organization involved in a suit or a matter as aforementioned in clause 3(a), which is in the field of one of the public goals the organization deals with –in the name of a group of people which the same suit or matter invokes essential questions of fact or trial which are shared by all the members listed on it, but only if the court is convinced that, under the circumstances of the matter, there exists a difficulty in submitting the request by a person, as aforementioned in paragraph (1).

(b) In the matter of this clause, when one of the foundations of the cause is damage –

(1) In a request for approval submitted by a person as aforementioned in small clause (a)(1) – it is enough that the supplicant show that damage was allegedly caused him;

(2) In a request for approval submitted by a public authority as aforementioned in small clause (a)(2) or by an organization as aforementioned In small clause (a)(3) – It is enough that the supplicant shows that damage was allegedly caused to a member of the group or that there exist a reasonable possibility that damage was caused to the group on behalf of which the suit was submitted.

Submitting a request for approval of a class action 5. (a) (1) Whoever requests to submit a class action will submit a request in writing to the court for the approval of the class action and will attach the wording of the suit to it (In this law – a request for approval);

The Minister is allowed to set instructions concerning the way a request for approval is submitted, the details that must be included in it and the documents that must be attached to it.

(2) Before submitting the request for approval, the supplicant will check the registry to see if it lists a request for approval or a class action which is still pending, and that the essential questions of fact or trial that are shared by all the members of the group that are invoked in it, all or some of them, are alike or are similar in principle to the aforementioned questions invoked by his request for approval; if the supplicant has found that a request for approval or a class action are registered in the registry as aforementioned, he will note its details in his request for approval.

(b) (2) A request for approval against an authority in a suit whose cause is a decision of the authority and the assistance requested in it is compensation or restitution, including the restitution of sums collected by the authority as tax, toll (Agra) or other mandatory payment, will be submitted to the administrative affairs court; in this small clause, “decision of an authority” – as defined by clause 2 of the administrative affairs courts law.

A notice for the submitting of a request (6) (a) If a request for approval was submitted, the supplicant will send a notice to the courts manager in the matter of its submitting and will

for approval and

attach a copy of the request, an example of the wording of the suit

registration in the registry

and the subject of the request to the notice, in order for them to be registered in the registry.

- (b) The Minister is allowed to set instructions concerning the way the message is given according to this clause and the details that must be included in it. He is also allowed to set the obligation of giving a notice in the matter of submitting a request for approval, to which a copy of the request, the wording of the suit and the subject of the request are attached, in general or by types of requests for approval, for a body or a function holder, all as determined; the court is allowed to order the giving of a notice concerning the submitting of a request for approval or a copy of the request to another element as well.

A previous request

7. (a) (1) In case the court to which the request for approval was submitted to

for approval or a

has found that a previous request for approval or class action is

previous class action

pending, and which raises shared questions of fact or trial, which are identical or similar in essence to the questions invoked by the request for approval, it is allowed, if it found that it is justified under the circumstances of the case, to instruct the transfer of the debate over the request for approval to the court to which the previous request for approval or class action was submitted to, and if a judge or panel were chosen to debate the previous request or suit – to that same judge or panel.

(2) If the court has found that the aforementioned in paragraph (1) has come to pass, and the group in whose name the late request for approval was submitted be identical or similar in principle to the group in whose name the previous request for approval or class action was submitted, the court will order the transfer of the debate over the late request for approval to the court to which the previous request for approval or class action was submitted, and if a judge or panel were chosen to debate the previous request or suit – to that same judge or panel.

- (b) The following instructions will apply to the courthouse to which the debate, aforementioned in small clause (a), will be transferred, according to the case:

(1) In the matter of a previous request for approval which hasn't been debated yet – the court is allowed to instruct the attachment of the late request for approval to the previous request for approval and to discuss them together, or to delete one of the requests, in part or in full, and he is allowed to order the attachment of switching of a supplicant or a

authorized representative, and all so that the interest of the group be represented and managed in the best, most efficient way;

(2) In the matter of a previous request for approval whose debate has already started – the court is allowed to order the aforementioned in paragraph (1), under the condition that it not order the switching of the supplicant who submitted the previous request for approval or the authorized representative, unless he is convinced that it is required so that the interest of the group be represented and managed in the best, most efficient way, and all considering the phase in which the debate over the request for approval is at;

(3) In the matter of a previous class action that was submitted in the name of that same group, all of it or part of it – the court will order to delete the later request for approval, all or some of it, yet it is allowed to instruct otherwise due to special reasons that will be recorded, under the condition that it not instruct the addition of additional grounds for the suit or additional group members unless it has found that all the conditions and procedures required by this law to approve a class action applied to the additional grounds and group members; in case the court has ordered such an addition, its decision will be seen as a decision regarding the request for approval.

- (c) The court will not order the aforementioned in small clause (b)(1) to (3) unless after giving the sides the opportunity of making their arguments regarding this matter.

Approval of a class action by the court 8. (a) The court is allowed to approve a class action, if it finds that all the following conditions exist:

(1) The suit raises essential questions of fact or trial which are shared by all the members of the group, and there is a reasonable possibility that the decision regarding those will be in favor of the group;

(2) A class action is the efficient and fair way of solving the disputer under the circumstances of the case;

(3) There exists a reasonable basis to assume that the interest of all the members of the group will be properly represented and managed; the defendant may not appeal or request to appeal a decision in this matter;

(4) There exists a reasonable basis to assume that the interest of all the members of the group will be honestly represented and managed.

- (b) Despite the instructions of small clause (a) –

(1) A request for approval was submitted against the state, one of its authorities, a local authority or a corporation lawfully established, and the court was convinced that the very fact of the suit being managed as a class action may cause severe harm to the public in need of the defendant's services or the public in general versus the benefit expected to come to the group members and the public by managing the suit in this way, and the damage cannot be prevented by way of approving changes as aforementioned in clause 13, the court is allowed to take this into consideration when deciding whether to approve a class action;

(2) In case a request for approval was submitted against a body which provides an essential service to the public, a banking corporation, stock exchange, clearing house or insurer, and the court is convinced that the very fact of the process being run as a class action is expected to cause severe harm to public in need of the defendant's services or the public in general, as a result of harming the financial stability of the defendant, versus the benefit to the group members and the public expected from it being managed in this way, and the harm cannot be prevented by way of approving the changes as aforementioned in clause 13, the court is allowed to take that into consideration when deciding whether to approve a class action.

(c) (1) The court is allowed to approve a class action even if the conditions stated in small clause (a)(3) or (4) do not exist, if it has found that the existence of these conditions can be assured by way of adding a representing plaintiff or an authorized representative or switching them, or by some other way; in case the court has authorized a class action according to the instruction of this paragraph, it will give instructions in its decision in order to assure the proper and honest representation and management of the group members' interest, as aforementioned in said small clause.

(2) If the court has found that all the conditions aforementioned in small clause (a) exist, however the supplicant does not meet the conditions stated in clause 4(a)(1) to (3), according to the case, the court will authorize the class action but will instruct, in his decision, to replace the representing plaintiff.

(d) A decision to approve a class action according to this clause can be appealed if allowed in the body of the written decision or by the court of appeals.

A request to	9. (a)	If a request for approval in the claim was submitted as specified in detail
Approve in a restoration		11 in the second addition (in this law – a restoration suit against an

suit against an authority-

authority), the court will not discuss it but after a 90 day period from

Special instructions

The time the request for approval was submitted has passed, and the court is allowed to extend this period due to reasons that it will register (in this clause – the determining date).

(b) The court will not approve a class action in a restoration suit against an authority, if the authority has declared that it will cease the collection that caused the request for approval, and it was proven to the court that it has stopped said collection no later than the determining date.

(c) If the court has decided as aforementioned in small clause (b), it is allowed –

(1) Despite the instructions of clause 22, to order a compensation for the suppliant, while taking into account the considerations mentioned in clause 22(b);

(2) To determine a fee to the authorized representative in accordance with the instructions of clause 23.

Definition of

10. (a)

If the court has approved a class action, it will define in its decision the

the group

group in whose name the suit will be managed; no person will be included in the group whose grounds for suing were created after the date in which the aforementioned class action was approved.

(b) Despite the instructions in small clause (a), the court is allowed to permit the addition of a person to a group which it has defined according to that small clause, although it was not included in it as part of the framework of the court's decision as mentioned in that small clause, and this until a date to be determined; in case the court has allowed the aforementioned, it will instruct the manner by which a notification will be given to the group members or to another element, if it has found that it is justified under the circumstances of the case; a notification according to this small clause will also be given to the administrator of the courts in order to be registered in the registry.

(c) The court is allowed to define a sub-group, if it has found that a part of the group members raise questions of fact or trial that are shared by all the group members; if the court has defined a sub-group as aforementioned, it is allowed to instruct the appointment of a representing plaintiff or an authorized representative for the sub-group, if it has found that it is required to ensure that the interest of the members of the sub-group will be properly represented and managed.

11. (a) In case the court has approved a class action, all those who have been listed as part of the group defined by the court in its decision as aforementioned in clause 10(a) will be seen as agreeing to the submission of a class action in his name, unless he has notified the court of his desire not to be included in the group, and this within 45 days from the day the decision of the court concerning the approval of the class action or by a later date as determined by the court.

(b) The court is allowed, according to the request of a person listed in the group as aforementioned in small clause (a) and who is requesting not to be included in it, to extend, for him, the period aforementioned in that small clause, if it has found a special reason for it.

A class action 12. (a)

by way of joining

Despite the instructions in clauses 10 and 11, the court

approving a class action is allowed, under special circumstances that justify this, including the circumstances detailed in the following paragraphs (1) and (2), to instruct the aforementioned as part of the approval decision, that the group in whose name the class action will be managed will include only those who have notified the court, in writing, of their desire to join the suit, in a way and at a date as determined by the Minister, and who was allowed to sue in his name as part of the grounds for suing (in this clause – joiner), under the condition that there exists a reasonable possibility to identify and locate the group members in whose name the request for approval was submitted, and to notify them about the approval of the class action, and all at reasonable cost:

(1) There exists a reasonable possibility that suits will be submitted concerning the class action, by a substantial part of the group members in whose name the request for approval was submitted;

(2) The sum of the suit or the worth of its subject is substantial, in relation to each of the group members in whose name the request for approval was submitted, including in suits of bodily harm.

(b) The court will not instruct the aforementioned in small clause (a), only after it has given the represented plaintiff and the defendant an opportunity to make their arguments in this matter.

(c) In case the court has instructed as aforementioned in small clause (a), it is allowed, when deciding about the approval aforementioned in that small clause, to determine that any joiner will take part in the costs of managing the class action, in a rate and conditions to be determined by it; if the court has determined as aforementioned, it will instruct the manner by which a notification will be given concerning the decision about joiners.

- (d) The instructions of this clause will not apply to a class action and its grounds as detailed in the third addition.
- Approval of changes 13. The court is allowed to approve a class action in any change it decides upon as regarding the request for approval, and all as it deems worthy in order to ensure a fair and efficient management of the class action.
14. (a) In case the court has approved the class action, it will detail in its decision, among others, all the following:
- (1) Defining the group in whose name the class action will be managed, and defining a sub-group, if there is one;
 - (2) The identity of the representing plaintiff and the authorized representative;
 - (3) The grounds for the suit and the questions of fact or trial that are shared by the group members;
 - (4) The aids being sued.
- (b) A notice of the decision of the court concerning the approval of a class action or concerning the postponement of a request for approval will be given to the administrator of the courts, to which a copy of the decision will be attached, for it to be registered in the registry.
- Participation in the debates 15. (a) The court is allowed to permit a member of a group in whose a class action is managed, and also a public authority working to promote a public cause, regarding a matter the class action or the organization concerns, that the Minister has approved in this case, which is working to promote the aforementioned cause, which are not the representing plaintiff, to participate in debates concerning the class action, if it has found that it is required for the efficient and fair management of the class action, and also, in the matter of a group member – for the purpose of protecting the interest of that group member, and in the matter of a public authority or organization – for the purpose of protecting the interest of the group members.
- (b) In case the court has agreed to the request to participate in the debates as aforementioned in small clause (a), it may give instructions concerning the manner of said participation.
- (c) The instructions of this clause will apply, with the committed changes, to the matter of participating in the debates over the request for approval.

16. (a) A suppliant, a representing plaintiff or an authorized representative, will not withdraw from a request for approval or a class action, unless with the approval of the court, and also will not receive, directly or indirectly, any benefit from the defendant or any other person concerning his aforementioned withdrawal, unless with the approval of the court.
- (b) A suppliant, a representing plaintiff or an authorized representative, wishing to withdraw from a request for approval or from a class action, will attach to the withdrawal request submitted to the court, a deposition in which he divulge, with proper disclosure, all the essential details concerning the withdrawal.
- (c) In case a suppliant, a representing plaintiff or an authorized representative has withdrawn from a request for approval or a class action, or the court has found that one of these cannot continue his role in a request or a suit, it will not be enough to influence the continued management of the request for approval or the class action by a different suppliant, representing plaintiff or an authorized representative, according to the case.
- (d) (1) In case the court has approved the withdrawal of all the suppliants or all the authorized representatives from a request for approval or that the court has found they cannot continue their role in the request for approval, the court is allowed to determine that a request to appoint a representing plaintiff or an authorized representative in their place can be submitted, according to the case, within a period determined by it, and the court is also allowed to order the publication of a notice of this, and all if it has found that it is justified under the circumstances of the case and considering the stage in which the debate over the request for approval is in; the aforementioned in paragraph (4) will be indicated in the notice.
- (2) In case the court has approved the withdrawal of all the representing plaintiffs or all the authorized representatives from a class action or the court has found that they cannot continue their role in a class action, and the court was not submitted with, within a period determined by it, a request to appoint a representing plaintiff or an authorized representative in their place, according to the case, the court will order the publication of a notice regarding this, in accordance with the instructions of clause 25; the notice will indicate the aforementioned in paragraph (4).
- (3) A notice, as aforementioned in paragraphs (1) or (2), will be given to the administrator of the courts, for the purpose of being registered in the registry.

(4) In case the court has ordered the publication of the notice as aforementioned in paragraphs (1) or (2), according to the case, any one who is allowed to submit a request for approval of a class action is also allowed, according to clause 4(a), to request the court, within 45 days from the day of the aforementioned publication, to be appointed as the representing plaintiff in the class action. Also, an attorney is allowed, within that date, to request the court to appoint him as the authorized representative in the suit; if the aforementioned request for appointment is submitted after the court has authorized a class action, the court will not authorize the request for appointment unless it has found that the conditions detailed in clauses 8(a)(3) and (4) exist.

(5) In case the court has approved the withdrawal of all the supplicants, all the representing plaintiffs or all the authorized representatives, or found that they cannot continue their role, as aforementioned in paragraphs (1) or (2), according to the case, and no request for appointing a representing plaintiff or an authorized representative, according to the instructions in this small clause, or the aforementioned request was submitted and not approved, the court will instruct the deletion of the request for approval or the class action, according to the case.

(e) The instruction of this clause, excluding the instruction in small clause (d)(5), will also apply, with the committed changes, to

The duties of an authorized representing	17.	When fulfilling his duties, an authorized representative will act with loyalty and dedication to benefit the group in whose name the request for approval was submitted or the group in whose name the class action is managed, according to the case, as if it sent him, with the changes that are committed, due to the procedure being a representing procedure.
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A request to approve a settlement	18.	(a) No settlement will be made to solve the conflict which caused the submission of a request for approval, or caused a class action to be approved (in this law – settlement), unless with the approval of the court.
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(b) A request to approve a settlement will be submitted to the court with depositions from the authorized representatives of the sides, in which they will divulge, with proper disclosure, all the essential details concerning the settlement.

(c) In case a request to approve a settlement was submitted to the court, and the court did not find grounds to reject it, it will order the publication of a notice concerning the submission of the request according to the

instructions of clause 26, as well as the aforementioned sending of the notice, attached to a copy of the request, the settlement and the suit, to the legal advisor to the government, the administrator of the courts, and to any other body or function holder that the Minister determines, and the court is also allowed to instruct said delivery to another person as it decides; a notice according to this small clause will include the details of the settlement about which the request was submitted and it will indicate the stated in small clauses (d) and (f).

(d) A person listed among the group in whose name a request to approve a settlement was submitted, a public authority working to promote a public goal in regards to the matter the request for approval is concerned with, or the class action, organization, that the Minister has approved in this matter, working to promote said public goal, as well as the legal advisor to the government, are allowed to submit to the court, in writing, within 45 days from the day the notice was published, as aforementioned in small clause (c), or within a later date set by the court, a reasoned objection to the settlement as well as to the agreed upon recommendation in the matter of compensation and fee, submitted according to small clause (g)(2).

(e) In case the aforementioned objection was submitted, as aforementioned in small clause (d), the supplicant or the representing plaintiff are allowed, according to the case, and also the defendant, to submit, within the date determined by the court, a response to the objection.

(f) A group member who is not interested in the settlement applying to him is allowed to ask the court, within the date determined for the submission of objections according to small clause (d), to permit him to leave the group the settlement applies to.

(g) A settlement will not include –

(1) Grounds for suing, litigants or group members, who were not included in the request for approval or in the decision concerning the approval of the class suit; however this is not enough to detract from the right of a litigant to request the court permission to correct the request for approval or the class action, according to the law;

(2) An order concerning the compensation to the supplicant or the representing plaintiff, or a fee to an authorized representative. However, the sides are allowed to submit to the court an agreed upon recommendation concerning the matter of the payment of a compensation or fee as aforementioned, including its rate and conditions;

if said agreed upon recommendation is submitted, its details will be included in the notice, as aforementioned in small clause (c).

The approval
of a settlement
by the court

19. (a) The court will not approve a settlement unless it has found that the settlement is proper, fair and reasonable when taking into account

the interest of the group members, and if the request for the approval of a settlement was submitted before the class action was approved – also because, allegedly, essential questions of fact or trial, shared by all the members of the group and because closing the process with a settlement is the efficient and fair way of deciding the conflict, under the circumstances of the case.

(b) (1) The court will not approve a settlement until after it has received an expert opinion from a person appointed for that function, who is an expert in the field the request for approval or the class action is concerned with (in this clause – an examiner), unless the court supposed that the expert opinion is not required, for special reasons to be noted; the fee and expenses of an examiner, as well as the manner by which they will be paid, will be determined by the Minister.

(2) No person will be appointed as examiner who was recommended by one of the sides or who submitted an objection to the settlement according to clause 18(d), or that gave advice or an opinion to one of the sides, concerning the conflict because of which the request for approval was submitted or the class action approved.

(3) In case an examiner was appointed, the court will transfer to him a copy of the request for the approval of a settlement, with all its appendixes as well as the objections submitted according to clause 18(d); in order to give an expert opinion according to this small clause, each side is allowed to submit to the examiner any material regarding the settlement, and the examiner is allowed to summon the sides in order to hear their position in this matter as well as suggesting certain changes to the settlement, all as he sees fit.

(4) In his expert opinion, the examiner will address the advantages and disadvantages of a settlement in regards to all the members of the group, while paying attention to the gamut of the circumstances and any other matter, as instructed by the court.

(5) The examiner will produce his expert opinion to the court within 60 days from the day a copy of the request to approve the settlement was submitted to him and the court will produce a copy of the expert opinion for the sides; the sides are allowed to submit a written response regarding

the expert opinion to the court within 30 days of the day they were given a copy of it.

- (c) (1) The decision of the court whether to approve a settlement or to reject it will be reasoned and will include, among other, all these:

(a) A definition of the group to which the settlement applies;

(b) The grounds for the suit, the essential questions of fact or trial which are shared by all the group members and the aids being sued as detailed in the request for approval or as defined in the decision of the court in accord with clause 14, according to the case;

(c) The main points of the settlement.

- (2) In its decision according to paragraph (1), the court will address, among others, these considerations:

(a) The gap between the aid suggested in the settlement and the aid the group members may have received if the court had ruled the class action in favor of the group;

(b) Objections submitted according to clause 18(d) and the decision resolving them;

(c) The stage in which the process is currently at;

(d) The expert opinion of the examiner, given according to small clause (b)(5);

(e) The risks and chances of continuing to maintain the class action versus the advantages and disadvantages of the settlement;

(f) The grounds and aids to which the decision to approve the settlement constitutes a legal action towards the group members the settlement applies to.

- (d) (1) In case the court has found that there is a need to determine, in the settlement, certain terms, which it deems are required in order to protect the interest of the group members to whom the settlement applies, in order to assure the enforcement of the law or in order to supervise the execution of the settlement, including conditions and instructions according to clause 20(a) to (c), or a condition regarding a withdrawal from the settlement, it will notify the sides of the settlement that approving the settlement is conditioned by their agreement of said conditions.

(2) In case the decision of the court regarding the approval of the settlement has included a condition concerning withdrawal from the settlement, the decision will not constitute a legal action towards a group member who has notified the court that he is not interested in the settlement applying to him.

(3) In this small clause, “a condition concerning withdrawal from the settlement” – a condition by which a group member, who is not interested in an approved settlement applying to him, can notify the court about his desire within the date and by the manner determined by the court.

(e) A copy of the court’s decision according to this clause will be sent to the administrator of the courts, and in the matter of a decision to approve a settlement, a copy of the approved settlement and all its appendixes will be attached to a copy of the decision, and all so they may be registered in the registry.

(f) In case the court has approved a settlement, compensation will be determined for the supplicant or the representing plaintiff, according to the case and in accord with the instructions of clause 22, and a fee to an authorized representative in accord with the instructions of clause 23. Also, the court is allowed to take into account an agreed upon recommendation, submitted by the sides in this matter.

proof of 20. (a) In case the court has ruled the matter of a class action, all or part of it, in
entitlement to aid in favor of the group in whose name the class action was managed, all or
and monetary some of it, it is allowed, within the framework of its decision concerning
compensation the giving of a monetary compensation or other aid to the group members, to
order, among others, an order detailed as follows, under the condition that it will
not be enough to unnecessarily burden the group members or the litigants:

(1) The payment of a monetary compensation or the giving of any other aid, in a rate and a manner to be determined, to each of the group members whose entitlement for the aforementioned compensation or aid has been proven;

(2) That each group member prove his entitlement to a monetary compensation or other aid;

(3) The total sum of a monetary compensation and the manner in which each group member share is calculated, under the condition that the total sum of the compensation can be accurately calculated, based on the evidence before the court; in case the court has ordered the payment of a monetary compensation of said total sum, it is allowed to give instructions regarding the division among the group members, in a manner relative to their damages, of the rest of the sum remaining if a group member, one or more, did not demand his share, did not prove his entitlement for compensation or aid, was not located or could not receive his share for any other reason, under the condition that no group member will receive a monetary compensation or other aid beyond the full compensation or aid he is entitled to. In case the rest of the sum has remained after said division, the court will instruct its transfer to the state treasury.

(b) In case the court has ordered for every group member to prove his entitlement to a monetary compensation or other aid, it is allowed to give instructions concerning –

(1) The manner and date to prove the entitlement for aid by the group members and the manner of its division, and it is allowed to appoint, for that goal, a person with suitable skills (in this clause – appointee); if the court has decided to appoint an appointee, any person who sees himself as harmed by an action or a decision of the appointee is allowed to address the court which ordered the appointment, and the court is allowed to approve, cancel, or change the action or decision, and to give any ruling concerning the issue, all as it deems fit; the fee and expenses of the appointee, as well as the manner of their payment, will be determined by the Minister;

(2) The payment of expenses to a group member, in a sum determined by the court or the appointee, for the effort involved in proving the entitlement for said compensation or aid.

(c) If the court has found that a monetary compensation to the group members, all or some of them, is not practical under the circumstances of the case, whether the reason is that they cannot be identified, the payment cannot be made with reasonable cost or any other reason, it is allowed to instruct the giving of monetary compensation or any other aid to the group, part or all of it, or to the public, as it deems fit under the circumstances of the case.

- (d) (1) If the court has ruled in favor of the group, part or all of it, in a class action, all or some of it, submitted against the state, one of its authorities, a local authority or a legal corporation, it is allowed, when deciding upon the scope of the compensations and the manner they are to be paid, to also take into consideration the harm that may be caused, following the payment of the compensation, its scope or manner of payment, to the defendant, to the public in need of the defendant's services or the public in general, versus the expected benefit to the group members or the public.
- (2) If the court has ruled in favor of the group, all or some of it, in a class action, all or some of it, submitted against a defendant that is not listed in paragraph (1), it is allowed, when deciding upon the scope of compensations and the manner by which they are paid, to also take into consideration the harm that may be caused, following the payment of the compensation, its scope or manner of payment, to the defendant, to the public in need of the defendant's services or the public in general, as a result from harming the financial stability of the defendant, versus the expected benefit to the group members or the public.
- (e) The court will not decide upon compensations in a class action without proof of harm, excluding a suit as specified in item 9 in the second addition. However, the aforementioned is not enough to prevent the ruling of compensations due to damage that is not financial damage.
- (f) The court is allowed to give instructions regarding supervision over the execution of its ruling according to this clause.

Restitution aid	21.	In case the court has approved a class action in a restitution suit against an authority, it will not obligate the authority to perform restitution against an authority – regarding a period that exceeds the 24 months previous to the date
Special instructions		in which the request for approval was submitted; the instructions of this clause are not enough to detract from the right of any member of a group in whose name the class action is managed to sue, for those same ground, for aid, even in regards to additional periods.
Compensation	22.	(a) In case the court has ruled a class action, all or some of it, in favor of the group, all or some of it, including by way of approving a settlement, it will order the payment of a compensation to the representing plaintiff, while taking into account considerations as aforementioned in small clause (b), unless it has found, for special reasons to be recorded, that it is not justified under the circumstances of the case.
to a representative plaintiff		

(b) When determining the scope of the compensation, the court will take into account, among others, these considerations:

(1) The effort the representing plaintiff has made and the risk he took upon himself when submitting the class action and managing it, especially if the aid requested by the class action is a declarative aid;

(2) The benefit that the class action has given the group members.

(3) The public importance of the class action.

(c) The court is allowed, in special cases and for special reasons to be recorded –

(1) To rule for compensation to the suppliant or the representing plaintiff, even if the class action was not approved or if no decision was given in the class action in favor of the group, according to the case, while taking into account consideration as aforementioned in small clause (b);

(2) To rule for a compensation to an organization taking part in the debates of the class action according to the instructions of clause 15, if it has found that it is justified in light of the effort it has taken and how much it had contributed by his aforementioned participation in the debates.

The fee of an

23. (a) The court will determine the fee of the authorized representative for

authorized representative

handling the class action, including in the request for approval; the authorized representative will not receive a fee which is higher than the aforementioned sum determined by the court.

(b) When determining the scope authorized representative's fee according to small clause (a), the court will take into account, among others, these considerations:

(1) The benefit the class action has brought to the group members;

(2) The complexity of the procedure, the effort the authorized representative has invested and the risk he had taken upon himself in the submitting of the class action and managing it, as well as the expenses he had invested to do so;

(3) The public importance of the class action;

(4) The manner in which the authorized representative managed the procedure;

holder, all as he determines; the court is allowed to order the giving of a published notice to the group members in accord with this clause.

(d) The wording of the notices, as aforementioned in small clauses (a) and (b), their shape and manner of presentation, will be brought before the approval of the court before they are published; a notice in regards to a decision of instruction of the court or a settlement, will include the main points of the decision, instruction or settlement, according to the case, as well as a reference to the registry and other places where their full version can be examined, including their appendixes.

(e) The publication of a notice according to this clause will be made in a way and by a date determined by the court, and it is allowed to determine different ways of publication for types of group members, and all while taking into account, among others, these considerations:

(1) The expenses involved in the manner of publication and its level of efficiency;

(2) The scope of the monetary compensation or the other aid that any of the group members might receive if the class action is ruled in favor of the group, and the scope of the harm that might be caused to each member of the group if the class action is rejected;

(3) The estimated number of the group members, and the ability to identify and locate them with reasonable amounts of effort and cost.

(4) The ability to give a personal message to the group members in a reasonable manner and cost, including under the framework of a continuous relation existing between a litigant and the group members, all or some of them;

(5) The special characteristics of the group members, including language.

(f) The court is allowed to impose the responsibility for publishing the notice and the publishing expenses on the litigators, all or some of them, as it deems efficient and fair under the circumstances of the case.

(g) Whoever was instructed by the court to publish a notice in accord with this clause, will send a copy of the notice to the administrator of the court, in order to be registered in the registry.

Obsolescence 26. (a) In case the court has approved a class action according to the instructions of clause 8, all those listed with the group defined by the court according to the instructions of clause 10 will be seen, in the matter of obsolescence, as if they had submitted a suit on the same date the request for approval was submitted.

- (b) In case the court has rejected a request for approval or deleted it, the obsolescence period of a suit by a person listed among the group in whose name the request for approval was submitted, deriving from the same grounds for suing, before a year has passed from the day the decision concerning the request for approval became conclusive, under the condition that that person's suit had not become obsolete by the date the request for approval was submitted.
- (c) In case the court has defined the group in whose name the class action will be managed, according to the instructions of clause 10, in a manner that does not include all those listed among the group in whose name the request for approval was submitted, or the court has decided to change the definition of the group, the Obsolescence period of a person who is not included in the aforementioned definition of the group, deriving from the same grounds for suing, will not end before a year has passed from the day the decision of the court in the matter of group definition became conclusive, under the condition that that person's suit had not become obsolete by the date the request for approval was submitted.
- (d) If a person has declared his desire not to be included in the group in whose name the class action will be managed according to the instructions of clause 11, or concerning his desire that the settlement not apply to him according to the instructions of clauses 18(f) or 19(d), the Obsolescence period of his suit, deriving from the same grounds, will not end before a year has passed from the day he had made said declaration, under the condition that that person's suit had not become obsolete by the date the request for approval was submitted.
- (e) In case the court has ordered that the group in whose name a class action will be managed will only include a person who has informed the court of his desire to join it, in accord with the instructions of clause 12, the Obsolescence period of a suit by a person listed among the group in whose name the request for approval was submitted and had not informed the court of his desire to join the class action deriving from the same grounds will not end before a year has passed from the day he had made said declaration, under the condition that that person's suit had not become obsolete by the date the request for approval was submitted.

A fund for

27. (a)

financing class actions

A fund is hereby established to finance class actions (in this clause – the fund), whose function is to aid representing plaintiffs in financing requests for approval and class actions, which hold a public and social importance in regards to their submission and clarification.

- (b) The fund will be managed by a nine member board which the Minister will appoint (in this clause – the board), and these are its members:

- (1) A person suitable to be the judge of a district court, who is not a state employee, and he will be the chairman;
 - (2) A representing of the person in charge of consumer protection as defined by the consumer protection law;
 - (3) A representing of the person in charge of business restrictions as defined by the business restrictions law;
 - (4) A representing of the bank supervisor as defined by the banking order, 1941¹²;
 - (5) A representing of the person in charge as defined by the oversight of pension funds law;
 - (6) A representing of the Ministry of Environmental Protection;
 - (7) A representing of the governorship of equal rights for people with disabilities;
 - (8) A representing of the legal advisor to the government;
 - (9) A public representing with knowledge and experience in the area of the fund's activity.
- (c) The Minister will publish, at the end of each budgetary year and in the registries and web site of the Ministry of Justice, a reckoning of the fund's actions, its incomes and expenses.
 - (d) The budget of the duns will be determined in the yearly budget law, at a separate program under the framework of the Ministry of Justice's budget; in this matter, "yearly budget law" and "program" – as defined by the foundations of the budget law – 1985¹³.
 - (e) The Minister will set instructions for the execution of this clause, including in regards to equality tests to give aid in financing requests for approval and class actions, and the manner of the publication of said tests, as well as in regards to the compositions of the submission of said requests for aid, the working manner of the board and reporting to the aid receiver in the matter of using the financing monies.

¹² Israel News service 1941, first addition, page 69, (a) 85.

¹³ Rule book, 1985, page 60

(f) (1) The fund will operate for a period of seven years from the day this law is published; however, the Minister is allowed, by decree, to extend said period for an additional period (in this clause – extension period); if the period was extended as aforementioned, the instruction of this clause will apply to the extension period. However, the application of the instructions of small clause (d) in that period requires the approval of the Minister of Finance, and if the Minister of Finance has not given said agreement, the matter will be transferred to be decided by the government.

(2) In case the activity period of the fund has ended, in accord with the instructions of paragraph (1), and an over plus of monies remained in the fund that was not used by the end of said period, the fund will continue, despite the instructions of said paragraph, to act in regards to those monies, in accord with its function as detailed in small clause (a), until the aforementioned over plus of monies has been completely used, and this subject to the law.

(g) Aid according to this clause will not be giving in order to finance class actions as aforementioned in clause 209(a) of the company law and in clause 41 of the joint investments in trust, and request to approve class actions as aforementioned.

The registry of class actions (a) The administrator of the courts will manage a registry for class actions (in this law – the registry), in which notices handed to him according to clauses 6(a), 10(b), 14(b), 16(d)(3), 18(c), 19(e) and 25(h) will be registered, as well as any other detail the Minister will order him to register; the registry as well as the documents given to the administrator of the courts along with the aforementioned notices, will be open to public examination in the web site of the courts' administration.

(b) The Minister will set instructions regarding the execution of this clause, including in the matter of the registry details in the registry and the procedures of examining it.

(c) The administrator of the court will begin the management of the registry within a year from the day this law is published; the Minister will publish, in the registries as well as in a widely distributed daily newspaper published in Israel and in Hebrew, a notice regarding the date the management of the registry will begin.

Verdict of the state 29. This law will apply to the state.

state

Amending the Additions	30.	The Minister, with the approval of the Knesset's legislation and law committee, is allowed, in a decree – (1) To change the first addition; (2) To add after the second addition, after consulting with the Minister of Finance; (3) To add after the third addition.
Execution and Regulations	31. (a)	The Minister is in charge of executing this law and is allowed, with the approval of the Knesset's legislation and law committee, to set regulations regarding its execution. (b) Despite the stated in small clause (a), regulations which determine legal rulings in any matter regarding a request for approval or a class action, will not require the approval of the Knesset's legislation and law committee.
Amendment of the services (insurance) law oversight over financial services (insurance) law – Number 17	32.	In the oversight over financial services (insurance) law – 1982 ¹⁴ , chapter E' 1 – is void.
Amendment of the consumer protection law – Number 19	33.	In the consumer protection law – 1981 ¹⁵ , chapter F' 1 – is void.
Amendment of the banking law (client service) – Number 11	34.	In the banking law (client service) – 1981 ¹⁶ , chapter C' 1 – is void.

¹⁴ Rule book 1980, page 208; 2004, page 859

¹⁵ Rule book 1982, page 248; 2005, page 104

¹⁶ Rule book 1982, page 258; 2004, page 840.

- Amendment of the business restrictions law – Number 9
35. In the business restrictions law – 1988¹⁷, chapter F’1 – is void.
- Amendment of prevention of environmental hazards (civil suits) law – Number 5
36. In the prevention of environmental hazards (civil suits) law – 1992¹⁸ -
- (1) in clause 10 -
- (a) In the margin header, before “legal action” there will read the word “group”;
- (b) After “from environmental hazard” will read “and also a body or an association as aforementioned in clause 6” and instead of “(henceforth – class action”) will read “(in this law – group action)”;
- (2) In clause 11 –
- (a) Everywhere, instead of “class” will read “group”;
- (b) In small clause (a)(3), after “the plaintiff” will read “or his authorized representative”;
- (3) In clauses 12(a) and 13, everywhere, instead of “class” will read “group”;
- (4) Instead of clause 14 will read:
14. (a) In case the court has ruled in favor of the plaintiff in a legal action according to clause 2 or ruled in favor of the group in a class action according to clause 10, all or some of it, including by way of approving a deal or settlement, it will instruct the defendant to pay a compensation to the plaintiff as well as determine the fee of the plaintiff’s attorney, unless it has found, for special reasons to be recorded, that it is not justified under the circumstances of the case.
- (b) When determining the scope of compensation and fee as aforementioned in small clause (a), the court will take into account, among others, these considerations:
- (1) The effort the plaintiff has put in and the risk he had taken upon himself when submitting the suit;
- “Compensation for a plaintiff and the attorney fee

¹⁷ Rule book 1987, page 128; 2003, page 147.

¹⁸ Rule book 1991, page 184; 2005, page 166.

(2) The degree of harm caused or may have been caused to the plaintiff or the public as a result of the environmental hazard for which the suit was submitted;

(3) The degree of public importance of the suit.”;

(5) In the addition –

(a) Instead of item 2 will read:

“2. The national nature and park authority.”;

(b) Item 3 – To be deleted.

Amendment of 37. In the joint investment in trust law – 1994¹⁹, instead of clause 41 will read:

the joint investments “Financing of a class 41. The Instructions of clause 209 of the company
in trust law - action by the authority law - 1999, will apply in the matter of a request
Number 11 to approve a class action or a class action,
according to the instructions of the class action
law – 2006²⁰, in a cause deriving from an
affinity for the unit.”

Amendment of the 38. In the equal pay for female and male workers – 1996²¹ -

equal pay for female (1) Clause 11 – Is void;

and male workers law (2) In clause 15(b), the final clause starting with the words “as well as
concerning the matter of legal procedures” – will be erased.

Amendment of the 39. In the equal rights for people with disabilities – 1998²², clauses

equal rights for 19(54) to 19(64) – are void.

people with disabilities –

number 3

Amendment of the 40. In the company law – 1999²³ -

¹⁹ Rule book 1993, page 308; 2004, page 853

²⁰ Rule book 2005, page 264

²¹ Rule book 1991, page 230

²² Rule book 1997, page 152; 2004, page 288

²³ Rule book 1998, page 189; 2004, page 238

company law – Number 4

(1) Mark b in the third chapter of the fifth part, excluding clause 209 in it – Is void;

(2) In clause 209(a), instead of “plaintiff requesting to sue in the suit” will read “whoever requests to submit a class action according to the instructions of the class action law – 2006²⁴, with a cause”, instead of “allowed” will read “as well as a representing plaintiff in the aforementioned class suit, are allowed”, and at the end will read “in this clause, “public company” – a company whose equities are registered for trade in the Israeli stock market or that were offered to the Israeli public according to a forecast, according to its meaning in the equities law”.

Amendment of the 41.

courts of administrative

affairs law – Number 24

In the courts of administrative affairs law – 2000²⁵, in the third addition, after item 1, will read:

“2. A suit as aforementioned in clause 5(b)(2) of the class actions law – 2006²⁶.”

Amendment of the 42.

oversight over financial

services (pension funds)

law

In the oversight over financial services (pension funds) – 2005²⁷, clause 53 – is void.

Amendment of the 43.

Television broadcasting

Law (subtitles and

sign language)

In the television broadcasts law (subtitles and sign language) – 2005²⁸, in clause 12(b), instead of “19(64) will read “19(53)”.

The duty of establishing

regulations in the matter

44. The Minister will bring regulations according to clauses 83(a)(3) and 108(a)(4) of the courts law (combined version) – 1984²⁹, in the matter

²⁴ Rule book 2005, page 264.

²⁵ Rule book 1999, 190; 2005, page 185

²⁶ Rule book 2005, page 264.

²⁷ Rule book 2005, page 889.

²⁸ Rule book 2005, page 956

of Agra fees

of Agra fees in procedures, according to this law, for the approval of the Knesset's legislation and law committee within six months from the day this law was published.

Beginning, incidence 45.

and transit instructions

(a) The beginning of clauses 5(a)(2), 6(a), 10(b) in the matter of sending a notice to the administrator of the court concerning the addition of a person to the group, 14(b), 16(d)(3), 18(c) concerning the matter of sending a notice to the administrator of the courts in regards to the submission of a request to approve a settlement, 19(e), 25(d) in the matter of referencing to the registry, and 25(g), within thirty days from the date of the beginning of the registry management, as aforementioned in clause 28(c).

(b) The instruction according to this law, excluding instructions of regulations in the matter of Agra fees as aforementioned in clause 44, will also apply to requests for approval of a class action and to class actions, which were pending before the court on the day this law was published.

(c) (1) If a request for approval of a class action was pending on the day this law was published, which maintains one of the conditions detailed bellow, will be seen, in the matter of the obsolescence period, as if it was submitted on the day this law was published:

(a) The request was not submitted according to one of the regularizations detailed in clauses 32 to 43, as phrased on the day they were made void in this law;

(b) Its grounds is not among the grounds that could have caused the approval of a class action according to one the regularizations as aforementioned in sub-paragraph (a).

(2) Despite what is mentioned in each law, if a request to approve a class action as aforementioned in paragraph (1) before the publication of this law, regarding the obsolescence period of the suit, the topic of the request, the time between the submission of the request and its rejection; in this matter, "rejection" – as it is defined in clause 15 of the obsolescence law – 1958³⁰.

(3) The instructions of this small clause will not apply to the matter of the obsolescence period of a personal suit submitted by whoever submitted a request to approve a class action as aforementioned in

²⁹ Rule book 1981, page 198

³⁰ Rule book 1958, page 112.

paragraph (1), due to the grounds of the topic of the request for approval.

- (d) (1) Requests for approval submitted from the day this law was published until the day regulations in the matter of the Agra fees as aforementioned in clause 44, as well as approved class actions in the aforementioned requests for approval, will be exempt from paying the Agra fee to the court.

(2) If a request to approve a class action is pending on the day this law is published, as aforementioned in clause 5(b)(2), the court debating the request will order its transfer to the court of administrative affairs; if a class action is pending on the day this law was published, as aforementioned in clause 5(b)(2), the court debating the suit is allowed to transfer it to the court of administrative affairs, considering the phase to which the debate of the suit has reached; the court of administrative affairs to which a request or suit were transferred to will be allowed to continue discussing it from the phase where its predecessor stopped.

(3) In the matter of a request to approve a class action in a restitution suit against an authority, which was submitted before the day this law was published, the date this law was published will be seen as a date to start the counting of the period as aforementioned in clause 9(a), instead of the date in which the request for approval was submitted.

First addition

(Clause 1- The definition “public authority”)

1. The governorship of equal right for people with disabilities.
2. The national nature and park authority.
3. The governorship of equal right in labor.

Second addition

(Clause 3(a) – A suit in which a request to approve a class action can be submitted)

1. A suit against a trader, as defined by the consumer protection law, in regards to the matter between him and the client, whether they have dealt

together or not.

2. A suit against an insurer, an insurance agent or a management company, regarding the matter, including an insurance contract or a pension fund code of rules, between them and a client, including an insured person or a colleague, whether they had mutual dealings or not.

3 A suit against a banking corporation, regarding the matter between it and a client, whether they have dealt with each other or not.

4 A suit with grounds according to the business restrictions law.

5 A suit with grounds deriving from an affinity to equity or a unit; in this matter –

“Affinity” – Ownership, possession, purchasing or selling”;

“Unit” – As defined by the company law as well as equities as defined in clause 52 of the equities law – 1968.

6. A suit regarding an environmental hazard against the hazard causing element; in this matter, “the hazard causing element”, “environmental hazard” – as defined by the prevention of environmental hazards law.

7. A suit on grounds according to the prohibition of discrimination in products, services and entrance to entertainment and public places – 2000³¹.

8. (1) A suit on grounds of discrimination in labor, according to the equal opportunities in labor law – 1988³².

(2) A suit on grounds as aforementioned by the equal pay for female and male workers – 1996³³.

9. (1) A suit on grounds according to chapters D', E' or E'1 of the equal rights for people with disabilities law

(2) A suit on grounds according to the access instructions according to the planning and construction law – 1965³⁴, as defined by clause 19a of the

³¹ Rule book 2000, page 58.

³² Rule book 1988, page 38.

³³ Rule book 1996, page 230.

equal rights for people with disabilities law.

(3) A suit on ground according to the instruction of the television broadcasts (subtitles and sign language) law – 2005³⁵.

10. (1) A suit on grounds which the district court of labor has the unique authority to debate according to clause 24(a)(1), (1a) or (3) of the court of labor law – 1969³⁶, under the condition that its framework does not require an aid of pension delay, delay of wages compensations or delay of dismissal compensations according to the instructions of clauses 16,17 and 20 of the protection of wages law – 1958³⁷.

(2) A suit of a worker for grounds according to clause 6a of the minimum wage law – 1987³⁸, or according to the employment of workers by human resources contractors law – 1996³⁹.

(3) In this item –

“Suit” – Excluding the suit of a worker to which a group agreement which regulates the conditions of his work applies to, and the employer of that worker or organization he is a member of, a side to the group agreement;

“Group agreement” – A group agreement according to the group agreements law – 1957⁴⁰, or a group agreement in writing.

11. A suit against an authority for the restitution of sums collected illegally, as tax, Agra fees or other obligatory payment.

Third addition

³⁴ Rule book 1986, page 307.

³⁵ Rule book 2005, page 956.

³⁶ Rule book 1969, page 70.

³⁷ Rule book 1958, page 86.

³⁸ Rule book 1987, page 68.

³⁹ Rule book 1996, page 201.

⁴⁰ Rule book 1957, page 63.

(Clause 12(d) – A condition for a class action in way of joining)

1. A suit on grounds according to the business restrictions law.
2. A suit on grounds deriving from an affinity to an equity or a unit; in this matter –

“Affinity” – In cost, retention, purchase or sale;

“Unit” – As defined in the joint investments in trust law – 1994;

“Equity” – As defined in the company law as well as equities as defined by clause 52 of the equities law – 1968⁴¹.

Ehud Olmert

Acting Prime Minister

Tzipi Livni

Minister of Justice

Moshe Katzav

President

Reuven Rivlin

Knesset Chairman

⁴¹ Rule book 1968, page 234.