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**Notification to mutual fund managers and managers of large portfolio management companies<sup>1</sup> (hereafter: "company managers"): Board of directors meetings and general meetings by electronic means during the period of restrictions to prevent the spread of the Corona virus**

In light of the directives issued by the Government of Israel on March 14, 2020 related to the effort to prevent the spread of the Corona virus, the Israel Securities Authorities (ISA) is issuing the following clarification:

1. **General shareholder meetings in private companies** – The regulations with respect to general shareholder meetings in private companies are contained in articles 76–77 of the Companies Law, 5759 – 1999 (hereafter: the Companies Law). In order to eliminate any doubt, it is hereby stated that according to the ISA Staff Position there is nothing according to the Companies Law, or the Regulation of Investment Advice, Investment Marketing and Management of Investment Portfolios Law, 5755 – 1995 (hereafter: the Investment Advice Law) or the Joint Investment in Trust Law, 5794 – 1994 (hereafter: the Funds Law) that prevents management companies from holding meetings by electronic means without any physical presence, in a manner such that the participants in the meeting can hear one another simultaneously.
2. **Meeting of the board of directors and its committees** – In addition to what is stated in paragraph 1 above, it should be clear that according to the ISA Staff Position there is nothing in the Investment Advice Law, the Funds Law or the Companies Law to prevent management companies from holding meetings of the board of directors and its committees by means of any electronic means, on the condition that all of the participating directors can hear one another simultaneously.<sup>2</sup>

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<sup>1</sup> Large portfolio management companies – as defined in the First Addendum A to the Regulation of Investment Advice, Investment Marketing and Management of Investment Portfolios Law, 5755 – 1995.

<sup>2</sup> In this matter, see paragraphs 101 and 111 of the Companies Law.