



רשות ניירות ערך

ISRAEL SECURITIES AUTHORITY

מחלקת תאגידים . www.isa.gov.il

Israel Securities Authority Staff Announcement

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Filing Instructions for Companies Reporting in the English Language - Staff Position

On November 17, 2020, Securities Regulations (Reporting in the English Language) 5781-2020 (“the Reporting in English Regulations”) were published in *Reshumot*. According to these Regulations, reporting corporations who choose to do so may file their statutory reports exclusively in English. The option to report in English is expected to promote the development of the Israeli capital market in the international arena: Removal of the language barrier will open the Israeli market to foreign investors and international companies.

The Regulations come into effect within three months of their publication date, that is to say — February 17, 2021 (“the Application Date”).

With its preparations to support English-language filing, the ISA is currently making adjustments to the MAGNA system and the MAGNA Tofes system to support filing and presentation of English-language reports. The ISA is also developing forms in the English language.

The English-language forms will be identical to the forms in Hebrew in their structure and the content of their fields, and form numbers will remain unchanged with the exception of the letter “E” that denotes a English-language form.

Instructions for corporations that report in English in the transition period (until the development of all English-language forms is concluded):

The development process is expected to be concluded several months after the Application Date. English-language forms will be released as new MAGA versions, in a phased process. As usual, before a new MAGNA version is released, a notice is published listing the main changes in the new version, including the forms that were developed and translated for the new version. The MAGNA

version that is scheduled for release after the Application Date (on March 3, 2021) will include 17 public forms in the English language.¹

At the conclusion of this project, corporations reporting in English must use forms whose number is preceded by the letter “E” to publish their reports. Until all the reporting forms have been developed, such corporations will view the forms that have been translated into English, whose number is preceded by the letter “E,” as well as forms that have not yet been translated into English and whose number is preceded by the Hebrew letter “ה.”

According to the Rules of Registration, Signature, Filing, and Distribution on MAGA,² filers select a form that is suitable for the event they wish to report. English-language filers will select the most suitable of all the available translated forms (“E Forms”), and in the absence of a suitable E Form, they will report using the general reporting form Form E-121.

In addition, without detracting from the above, corporations that select Form E-121 because no suitable E Form is available, may also report using the corresponding Hebrew-language form (for example, for forms used by systems that obtain data from forms that have not yet been translated or for the purpose of a convenience translation in the Hebrew language).

Corporations that wish to change their reporting language to English, will perform the actions stated in Regulation 3 of the Reporting in English Regulations. These actions also include the requirement to file an immediate report that contains the board of directors’ reasons for changing the reporting language and a clarification of the manner and the dates on which public objections may be submitted, and the date on which the corporation expects to begin reporting in English in the absence of objections. After the periods defined in the Regulations elapse, the ISA will update the corporation’s status, which will permit it to file English-language forms.

¹ The following English language forms will be included in the upcoming release: E-049, E-053, E-076, E-078, E-079, E-081, E-085, E-086, E-094, E-097, E-121, E-150, E-460, E-930, E-935, and E-939.

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https://www.isa.gov.il/%D7%92%D7%95%D7%A4%D7%99%D7%9D%20%D7%9E%D7%A4%D7%95%D7%A7%D7%97%D7%99%D7%9D/Corporations/Hodaot_segal/Electronic_Systems/Documents/Isafile_15072020.pdf

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