This is an English convenience translation of the original Hebrew report. In case of any discrepancy, the binding version is the Hebrew original.

August 31, 2015

TO:

THE SECURITIES AUTHORITY
Through the MAGNA system

THE TEL AVIV STOCK EXCHANGE LTD.
Through the MAGNA system

Dear Sir/ Madam,

Re: **The Convening of a Special, General Meeting of the Shareholders of Israel Corporation Ltd.**

In accordance with the Securities Regulations (Transaction Between a Company and its Controlling Shareholder) 5761-2001 and with the Securities Regulations (Immediate and Periodic Reports) 5730-1970 and with the provisions of the Companies Law, 5759-1999 (hereinafter: the "**Companies Law**"), and the regulations enacted pursuant thereto, Israel Corporation Ltd. (hereinafter: the "**Company**") hereby announces that a special general meeting of the shareholders of the Company shall be convened on Thursday, October 8, 2015, at 11:00 a.m., at the offices of the Company, at 23 Aranha St., Millennium Tower, Tel Aviv (hereinafter: the "**Meeting**"), whose agenda shall comprise the items as set forth below in this Report.

The Item on the Meeting's Agenda

Update of the deductible amount in this framework of the officers' liability insurance.

Details of the Item on the Meeting's Agenda

1.1 **Update of the deductible amount in this framework of the officers' liability insurance**

On July 14, 2015, the general meeting of the shareholders of the Company approved the Company's engagement in an officers' liability insurance policy for the officers currently serving at the Company and as will serve at the Company from time to time (including Company's CEO and/or officers that the controlling shareholder of the Company may be deemed to have a personal interest in including them in the insurance policy, as will serve from time to time), including), including by way of the purchase of new policies or by extensions or renewals of the existing policy or policies that will be purchased in the future, for a number of insurance periods that will not exceed three years, according to the terms mentioned in the report regarding the convening of the shareholders meeting dated May 28, 2015 (reference No.: 2015-01-31422). It was further determined that the resolution shall be deemed as a "framework transaction", as this term is construed in the Companies Regulations (Relief in Transactions with Interested Parties), 5760-2000 (hereinafter: the "May Report Regarding the Shareholders' Meeting").

1.2 The officer's liability insurance policy includes an insurance component for the Company, which is designated to cover the expenses and liabilities which the Company itself may incur (if incurred) in connection with claims for which the policy covers, where in the Company's renewed insurance policy such component involves a deductible of up to USD 1 million per case, according to the claim's cause and the place of its filling.

1.3 Considering that in the May Report Regarding the Shareholders' Meeting a lower deductible amount due to claims against officers than the said amount which the Company may be required to pay according to the renewed insurance policy, and although the deductible amount shall apply to the Company only (and not to the officers) and is mainly designated as insurance for liabilities and expenses that the Company may incur (if incurred), the updated deductible component in the Company's officers insurance policy is brought for the shareholders' meeting which is hereby convened, even if for caution's sake only.

It shall be clarified that except for the aforesaid no other changes to terms of the policy, as described in the May Report Regarding the Shareholders' Meeting, will be made, including the premium to be paid by the company, the distribution in the insurance layer between ICL and the Company, etc.

1.4 Therefore, it is proposed to approve, further to the shareholders meeting dated July 14 2015, that the deductible amount to the Company in the framework of the Company's engagement in officers insurance policies shall be up to USD 1 million per case, according to the claim's cause and the place of its filling (the "Deductible Amount").

1.5 Additionally, in case of purchasing new policies or extensions or renewals of the existing policy or those which may be purchased in the future, for a number of insurance periods that will not exceed three years, as stated in the May Report Regarding the Shareholders' Meeting, the deductible amount to the Company in each insurance period shall not exceed 125% of the deductible amount for the previous insurance period.

1.6 **The Reasons of the Compensation Committee and the Board of Directors of the Company and the Way in Which the Terms of the Engagement were Determined:** The Compensation Committee and the Board of Directors of the Company approved the update of the deductible amount in the Company's engagements in officers' liability insurance, as set forth in this report, *inter alia*, based on the key considerations detailed in the May Report Regarding the Shareholders' Meeting, and further determined that:

1.6.1 The insurance component for the Company in the framework of officers' liability insurance policy is in the Company's best interests and intended to apply to liabilities and expenses the Company may incur and is not considered to be a part of the officers' compensation. In regards with the deductible amount it was mentioned that the updated deductible amount (if materialized) is not materiel to the Company.

1.6.2 The terms and arrangements of the insurance have been determined, *inter alia*, after consulting with its insurance consultants, taking into account the Company's needs and characteristics.

1.6.3 In view of the foregoing, and further to the reasons and considerations mentioned in the said report regarding the convening of shareholders' meeting, the members of the Compensation Committee and the Board of Directors of the

Company are of the opinion that the engagement stated in section 1 of this Report is fair and reasonable and promotes the Company's best interests.

1.7 **Text of the Proposed Resolution**:

"To approve thein the framework of the Company's engagements in a liability insurance policy for the officers the deductible amount of the Company shall be up to USD 1 million per case, according to the claim's cause and the place of its filling (the "Deductible Amount", where in cse of purchase of new policies or extensions or renewals of the existing policy or policies that will be purchased in the future (in the framework of the insurance periods mentioned in the May Report Regarding the Shareholders' Meeting),the deductible amount of the Company in each insurance period shall not exceed 125% of the deductible amount in the previous insurance period."

1.8 **Transactions of the Type of the Transaction or Similar Transactions**

As aforesaid, on July 14, 2015 the engagement of the Company in officers' liability insurance policy was approved by the general meeting of the shareholders of the Company.

2. **The Approvals Required for Approval of the Resolutions on the Agenda, the Identity of the Directors Who Participated in the Approval of the Resolutions and a Personal Interest**

2.1 At the meeting of the Compensation Committee, held on August 30, 2015, the item on the Meeting's agenda was unanimously approved. The committee meeting was attended by Messrs. Oded Degany and Michael Bricker.

2.2 The meeting of the Board of Directors of the Company held on August 30, 2015, the item on the Meeting's agenda was unanimously approved. The board meeting was attended by the Messrs. Ron Moskovitz, Amnon Lion, Oded Degany, Zahavit Cohen, Aviad Kaufman, Dan Suesskind and Michael Bricker.

2.3 The resolutions on the agenda of the Meeting require the approval of the general meeting.

2.4 Personal Interest in the Approval of the Company's Engagement in the Officers' Liability Insurance

All of the incumbent directors may be deemed (for caution's sake) to have a personal interest by virtue of their being beneficiaries of insurance policies that will be purchased by the Company. Accordingly, and taking into account the provisions of section 278(b) of the Companies Law, none of the directors will be precluded from participating in the discussions of the Board of Directors in this matter.

3. **Details Regarding the Controlling Shareholders of the Company and Their Personal Interest**

3.1 Millennium Investments Elad Ltd. (hereinafter: "**Millennium**") and Mr. Idan Ofer are deemed to be the joint controlling shareholders of the Company for the purpose of the Securities Law[1]. Millennium holds approximately 46.94% of the Company's share capital (47.38% of the voting rights). To the best of the Company's knowledge, Millennium is held by Mashat Investments Ltd. (hereinafter: "**Mashat**") and by XT Investments Ltd. (hereinafter: "**XT Investments**"), according to holding percentages of 80% and 20%, respectively. Mashat is a private company, which is wholly held by a Dutch company by the name of Ansonia (Holdings) B.V. (hereinafter: "**Ansonia**"). Ansonia is wholly held by Jelany Corporation N.V. (which is registered in Curaçao), which is wholly held by a Liberian company by the name of Court Investments Ltd. (hereinafter: "**Court**"). Court is wholly held by a foreign discretionary trust, of which Mr. Idan Ofer is the beneficiary.

3.2 XT Investments is a private company which is wholly held by XT Holdings Ltd. (hereinafter: "**XT Holdings**"), which is a private company

[1] Both Millennium and Mr. Ofer hold shares in Israel Corporation directly, and Idan Ofer serves as a director of Millennium and has an indirect interest in it as a beneficiary of a trust that has indirect control of Millennium.

whose ordinary shares are held in equal parts by Orona Investments Ltd., which is indirectly controlled by Mr. Ehud Angel, and by Lynav Holdings Ltd., which is controlled by a foreign discretionary trust, of which Mr. Idan Ofer is the main beneficiary. Mr. Ehud Angel has, *inter alia*, a special share which confers on him, *inter alia*, with certain restrictions and for certain purposes, an additional vote on the Board of Directors of XT Holdings. In addition, XT Investments directly holds 1.24% of the Company's share capital (1.25% of the voting rights).

3.3 In addition, Kirby Enterprises Inc., which is indirectly held by the foreign discretionary trust that holds Mashat, as stated above, of which Mr. Idan Ofer is a beneficiary, holds approximately 0.74% of the Company's issued share capital (0.75% of the voting rights). In addition, Mr. Idan Ofer directly holds approximately 3.85% of the Company's issued share capital (3.89% of the voting rights).

3.4 Millennium and XT Investments may be deemed (for caution's sake) to have a personal interest in the item on the Meeting's agenda, due to the inclusion of directors of the company, who serve as officers in them or in companies related to them, in the insurance policies, as stated above. The interest of Mr. Idan Ofer and Kirby Enterprises Inc., as described above, also derives from this.

4. **Details of the Convening of a Special Meeting**

Notice is hereby given that a general meeting of the Company's shareholders shall be held on Thursday, October 8, 2015, at 11:00 a.m., at the Company's offices at 23 Aranha St., Floor 23, Tel Aviv, whose agenda comprises the passing of a resolution in the matters set forth above.

5. **The Majority Required to Pass the Resolutions at the Meeting**

The majority required to pass the resolution on the Meeting's agenda is a majority of the shareholders who are entitled to participate in the vote, who are present at the Meeting in person or by proxy, provided that one of the following two conditions is satisfied: (1) the count of the votes of the majority at the general meeting shall include a majority of all the votes of the shareholders who are not controlling shareholders of the Company or entities with a personal interest in the approval of the resolutions on the agenda of the Meeting, who are participating in the vote; the count of all the votes of the said shareholders shall not take into account the votes of the abstaining shareholders; a shareholder with a personal interest shall be subject to the provisions of section 276, *mutatis mutandis*; (2) the total of the votes against, from among the shareholders as stated in paragraph (1) above, shall not exceed a rate of two percent of the total voting rights at the Company.

6. **The Record Date**

The record date for determining the entitlement of a shareholder of the Company to vote at the Meeting as stated in section 182(b) of the Companies Law, is at the end of the Stock Exchange trading day of Sunday, September 9, 2015, and if no trading is conducted on the record date, then on the first trading day prior thereto.

7. **Proof of Ownership of a Share**

In accordance with the Companies Regulations (Proof of Ownership of a Share for the Purpose of Voting at the General Meeting), 5760-2000, a shareholder in whose favor a share is registered with a member of the Tel Aviv Stock Exchange Ltd. and which share is included amongst the shares of the Company which are registered in the Register of Shareholders, in the name of a nominee company, and who wishes to vote at the general meeting, shall submit to the Company confirmation from the said member of the Stock Exchange, with whom his title to the share is registered, regarding his ownership of the share, on the record date, in accordance with Form 1 in the Schedule to the said Regulations or, alternatively, shall send to the Company a proof of ownership via the electronic voting system.

8. **Quorum**

Pursuant to the Company's Articles, the quorum for the purpose of holding the Meeting shall be constituted when five shareholders are present, whether in person or by proxy, who have at least twenty five percent of the voting rights. If there is no quorum at the general meeting at the expiration of half an hour from the time appointed for the commencement of the Meeting, the Meeting shall stand adjourned by one week to the same day and to the same time and the same place, without it being necessary to give notice thereof to the shareholders, and if no quorum is constituted at the adjourned meeting at the expiration of half an hour from the time appointed for the Meeting, the shareholders present shall constitute a quorum.

9. **Voting By Proxy**

A shareholder, who is entitled to participate in and vote at the Meeting, may vote in person or by proxy, in accordance with that stated in the Company's Articles. A shareholder who wishes to vote by proxy, as set forth above, shall deposit the Power of Attorney at the Company's registered offices at least 48 hours prior to the time appointed for the Meeting or for the adjourned meeting.

10. **Vote By Voting Form**

In accordance with the Companies Regulations (Voting in Writing and Position Statements), 5765-2005 (hereinafter: the "**Voting Regulations**"), a shareholder who is entitled to participate in and vote at the Meeting, may vote on a resolution submitted for the Meeting's approval, by using a voting form. For this purpose, the vote of the shareholder who voted using a voting form shall be counted, as if he had been present at and participated in the Meeting. The vote using a voting form, with regard to a shareholder who wishes to vote using a voting form instead of his participation at the Meeting in person and/or by proxy, shall be done using the Second Part of the Voting Form, which is attached herewith as **Appendix A** to this Report.

The voting form and the documents that need to be attached thereto as specified in the voting form shall be submitted to the Company's offices up to 4 hours prior to the time for the convening of the Meeting. For this purpose, the time of submission is the time when the voting form and the documents that need to be attached thereto arrived at the Company's offices. The last date for submission of position statements is up to 10 days after the record date. A member of the Stock Exchange shall send, by e-mail, without consideration, the link to the draft of the voting form and the voting forms on the distribution site, to any shareholder who is not registered in the Register of Shareholders, and whose shares are registered with the said Stock Exchange member, unless the shareholder notified the Stock Exchange member that he does not wish to receive such link or unless he gave notice that he wishes to receive voting forms by mail, in consideration of mailing costs only.

The addresses of the sites of the Israel Securities Authority and the Tel Aviv Stock Exchange Ltd., where the draft of the voting form and the position statements (if submitted to the Company), as construed in section 88 of the Companies Law, are available, are as set forth below – the distribution site of the Israel Securities Authority: http://www.magna.isa.gov.il (hereinafter: the "**Distribution Site**"); and the site of the Tel Aviv Stock Exchange Ltd.: http://maya.tase.il.

One or more shareholders holding shares at a rate which constitutes five percent or more of the total voting rights at the Company, and also any shareholder holding such rate out of the total voting rights which are not held by the controlling shareholder of the Company, as defined in section 268 of the Companies Law, may inspect the voting forms as specified in Regulation 10 of the Voting Regulations.

As of the present date, the number of shares which constitute 5% of the total voting rights of the Company is: 381,307 ordinary shares having a par value of NIS 1.00 each of the Company.

As of the present date, the number of shares which constitute 5% of the total voting rights of the Company which are not held by the controlling shareholder of the Company is: 178,179 ordinary shares having a par value of NIS 1.00 each of the Company.

The last date for submission of position statements is up to 10 days after the record date, as aforesaid.

11. **Voting via the electronic voting system**

Unregistered shareholder may vote by a voting form which shall be delivered to the Company through the electronic voting system (as defined below), all in accordance and subject to the terms determined in the Companies Regulations (Voting in writing and position statements), 2005 (the "Voting Regulations").

Following the Record Date and upon receipt of identifying number and an access code from the exchange member and after an identification procedure, an unregistered shareholder may vote via the electronic voting system which is operated according to item B of chapter G2 to the Securities Law, 1968 (hereinafter: the "Electronic Voting System" and the "Securities Law", respectively). The website of the Electronic Voting System, within its meaning in section 44k to the Securities Law is **votes.isa.gov.il**.

According to and subject to the terms of the Voting Regulations and ths Israeli Securities Authority's instructions on this matter, voting via the Electronic Voting System will be enables until 6 hours prior to the Meeting's time of convening (hereinafter: "System's Lock Time"). It is clarified that the vote made via the Electronic Voting System may be changed or cancelled until the System's Lock Time and could not be changed after that time.

If a shareholders will vote by more than one manner as mentioned, is latest vote will be counted, while a shareholder's vote made by him at the Meeting or by proxy will be deemed as later to the vote made by voting form.

12. **The Company's Representatives for the Purpose of Handling the Immediate Report**

Attorneys Lior Porat and/or Nurit Traurik of the law firm of Gornitzky & Co., whose address is 45 Rothschild Boulevard, Tel Aviv, 65784, Tel: 03-7109191, Fax: 03-5606555.

13. **Inspection of Documents**

The Company's shareholders may inspect the transaction report, at the Company's offices, at 23 Aranha St., Millennium Tower, Tel Aviv, from Sundays to Thursdays, from 09:00 a.m. – 16:00 p.m., by prior arrangement on Tel: 03-6844500.

Sincerely,

Israel Corporation Ltd.

The name of the authorized signatory to the report and the name of the authorized electronic signatory:
Maya Alcheh-Kaplan
Position: Vice President, General Counsel & Company Secretary
Date of signature: August 31, 2015

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APPENDIX A - VOTING FORM

ISRAEL CORPORATION LTD.

VOTING FORM

In accordance with the Companies Regulations (Voting in Writing and Position Statements), 5765 – 2005 (hereinafter: the "Voting Regulations")

FIRST PART

1. **Name of the Company**

Israel Corporation Ltd. (hereinafter: the "**Company**").

2. **Type of Meeting, Date and Venue**

An special meeting, which shall be held at the Company's offices, at 23 Aranha St. (Millennium Tower), Tel Aviv, on October 8, 2015, at 11:00 a.m. (hereinafter: the "**Meeting**"), and any adjourned meeting.

3. **Details of the Item on the Agenda**

3.1 **Update of the deductible amount in this framework of the officers' liability insurance**

On July 14, 2015, the general meeting of the shareholders of the Company approved the Company's engagement in an officers' liability insurance policy for the officers currently serving at the Company and as will serve at the Company from time to time (including Company's CEO and/or officers that the controlling shareholder of the Company may be deemed to have a personal interest in including them in the insurance policy, as will serve from time to time), including), including by way of the purchase of new policies or by extensions or renewals of the existing policy or policies that will be purchased in the future, for a number of insurance periods that will not exceed three years, according to the terms mentioned in the report regarding the convening of the shareholders meeting dated May 28, 2015 (reference No.: 2015-01-31422). It was further determined that the resolution shall be deemed as a "framework transaction", as this term is construed in the Companies

Regulations (Relief in Transactions with Interested Parties), 5760-2000 (hereinafter: the "May Report Regarding the Shareholders' Meeting").

3.2 The officer's liability insurance policy includes an insurance component for the Company, which is designated to cover the expenses and liabilities which the Company itself may incur (if incurred) in connection with claims for which the policy covers, where in the Company's renewed insurance policy such component involves a deductible of up to USD 1 million per case, according to the claim's cause and the place of its filling.

3.3 Considering that in the May Report Regarding the Shareholders' Meeting a lower deductible amount due to claims against officers than the said amount which the Company may be required to pay according to the renewed insurance policy, and although the deductible amount shall apply to the Company only (and not to the officers) and is mainly designated as insurance for liabilities and expenses that the Company may incur (if incurred), the updated deductible component in the Company's officers insurance policy is brought for the shareholders' meeting which is hereby convened, even if for caution's sake only.

It shall be clarified that except for the aforesaid no other changes to terms of the policy, as described in the May Report Regarding the Shareholders' Meeting, will be made, including the premium to be paid by the company, the distribution in the insurance layer between ICL and the Company, etc.

3.4 Therefore, it is proposed to approve, further to the shareholders meeting dated July 14 2015, that the deductible amount to the Company in the framework of the Company's engagement in officers insurance policies shall be up to USD 1 million per case, according to the claim's cause and the place of its filling (the "Deductible Amount").

3.5 Additionally, in case of purchasing new policies or extensions or renewals of the existing policy or those which may be purchased in the future, for a number of insurance periods that will not exceed three years, as stated in the May Report Regarding the Shareholders'

Meeting, the deductible amount to the Company in each insurance period shall not exceed 125% of the deductible amount for the previous insurance period.

Text of the Proposed Resolution: "To approve thein the framework of the Company's engagements in a liability insurance policy for the officers the deductible amount of the Company shall be up to USD 1 million per case, according to the claim's cause and the place of its filling (the "Deductible Amount", where in cse of purchase of new policies or extensions or renewals of the existing policy or policies that will be purchased in the future (in the framework of the insurance periods mentioned in the May Report Regarding the Shareholders' Meeting),the deductible amount of the Company in each insurance period shall not exceed 125% of the deductible amount in the previous insurance period."

4. **Inspection of the Text of the Proposed Resolution**

The Company's shareholders may inspect the transaction report and the text of the proposed resolutions at the Company's offices, from Sundays to Thursdays, from 09:00 – 16:00, by prior arrangement on Tel: 03-6844500, and also on the Internet sites of the Israel Securities Authority and the Tel Aviv Stock Exchange Ltd., whose addresses are specified in section 12 below.

5. **The Majority Required to Pass the Resolution at the Meeting**

The majority required to pass the resolution at the Meeting is a majority of the shareholders who are entitled to participate in the vote, who are present at the Meeting in person or by proxy, provided that one of the following two conditions is satisfied: (1) the count of the votes of the majority at the general meeting shall include a majority of all the votes of the shareholders who are not controlling shareholders of the Company or entities with a personal interest in the approval of the resolutions on the agenda of the Meeting, who are participating in the vote; the count of all the votes of the said shareholders shall not take into account the votes of the abstaining shareholders; a shareholder with a personal interest shall be subject to the provisions of section 276, *mutatis mutandis*; (2) the total of the votes against, from among the shareholders as stated in paragraph (1) above, shall not exceed a rate of two percent of the total voting rights at the Company.

6. **Mention of a Shareholder's Connection**

In the Second Part of the Voting Form, space is allocated for marking whether the shareholder does or does not have a connection, as required pursuant to the provisions of the Companies Law, and for giving a description of the nature of the relevant connection as well as the shareholder other characteristics and their description. **Should a shareholder not mark such space, or should he not describe the nature of the connection, his vote shall not be included in the count of the votes.**

7. **Validity of the Voting Form**

7.1 The Voting Form shall be valid solely if the following is attached thereto: "Confirmation of Ownership" (a power of attorney from the nominee company proving the ownership of the share; hereinafter: "Confirmation of Ownership") of the non-registered shareholder (that is to say, a shareholder in whose favor shares are registered with a Stock Exchange member and which shares are included amongst the shares registered in the Register of Shareholders, in the name of the nominee company), or a photocopy of an ID card, passport or document of incorporation, as the case may be, if the shareholder is registered in the Company's books.

7.2 The last date for delivery of the voting forms is up to 4 hours prior to the time of the general meeting. For this purpose, the time of delivery is the time at which the Voting Form and the documents which need to be attached thereto arrived at the Company's offices, whose address is specified in section 10 below.

8. **The Record Date for Determining a Shareholder's Entitlement to Participate in and Vote at the Meeting**

The record date for determining a shareholder's entitlement to vote at the general meeting, as stated in section 182 (b) of the Companies Law, 5759 –

1999, is Wensday, September 9, 2015 (hereinafter: the "**Record Date for Voting at the Meeting**").

9. **Voting via the electronic voting system**

Unregistered shareholder may vote by a voting form which shall be delivered to the Company through the electronic voting system (as defined below), all in accordance and subject to the terms determined in the Companies Regulations (Voting in writing and position statements), 2005 (the "Voting Regulations").

Following the Record Date and upon receipt of identifying number and an access code from the exchange member and after an identification procedure, an unregistered shareholder may vote via the electronic voting system which is operated according to item B of chapter G2 to the Securities Law, 1968 (hereinafter: the "Electronic Voting System" and the "Securities Law", respectively). The website of the Electronic Voting System, within its meaning in section 44k to the Securities Law is **votes.isa.gov.il**.

According to and subject to the terms of the Voting Regulations and ths Israeli Securities Authority's instructions on this matter, voting via the Electronic Voting System will be enables until 6 hours prior to the Meeting's time of convening (hereinafter: "System's Lock Time"). It is clarified that the vote made via the Electronic Voting System may be changed or cancelled until the System's Lock Time and could not be changed after that time.

If a shareholders will vote by more than one manner as mentioned, is latest vote will be counted, while a shareholder's vote made by him at the Meeting or by proxy will be deemed as later to the vote made by voting form.

10. **The Company's Address for Delivery of the Voting Forms and the Position Statements**

At the Company's offices, at 23 Aranha St. (Millennium Tower), Tel Aviv.

11. **The Last Date for Delivering Position Statements**

A position statement of a shareholder may be submitted up to ten days after the Record Date for determining the entitlement of a shareholder of the Company to vote at the general meeting, as stated in section 182(b) of the Companies Law, which is specified in section 8 above. The last date for submission of the Board of Directors' response to position statements – if submitted by the shareholders, and if the Board of Directors chooses to submit its response to the said position statements – is not later than twelve days before the date of the Meeting.

12. **<u>Addresses of the Distribution Site and the Internet Site of the Stock Exchange, Where the Voting Forms and Position Statements are Available</u>**

12.1 The address of the distribution site of the Israel Securities Authority: http://www.magna.isa.gov.il.

12.2 The address of the Internet site of the Tel Aviv Stock Exchange Ltd.: http://maya.tase.il.

13. **<u>Additional Comments, as Required Pursuant to the Voting Regulations</u>**

13.1 A shareholder is entitled to receive the Confirmation of Ownership, as defined in section 71 of the Companies Law, and as stated in section 7.1 above, at the branch of the Stock Exchange member or by dispatch by mail, if he so requested. A request in this matter shall be given in advance, for a particular securities account.

13.2 A shareholder may contact the Company directly to receive from it, without charge, the draft of the voting form or, with his consent, a link to the draft of the Voting Form on the distribution site and the position statements as have arrived at the Company.

13.3 A shareholder who is not registered may receive by email, without charge, a link to the draft of the Voting Form and the position statements (if any) on the distribution site, from the Stock Exchange member through which he holds his shares, unless he informed the Stock Exchange member that he does not wish to receive such a link or that he wishes to receive voting forms by mail, in consideration of payment. The non-registered shareholder's notice with regard to the voting forms shall also apply with regard to the receipt of position statements (if any).

13.4 One or more shareholders who hold shares at a rate constituting five percent or more out of the total voting rights at the Company and also a shareholder who holds such a rate out of all the voting rights which are not held by the controlling shareholder of the Company, as defined in section 268 of the Companies Law, is entitled to inspect the voting forms, as set forth in Regulation 10 of the Voting Regulations, at the Company's registered office, from Sundays to Thursdays, during normal working hours, and by prior arrangement with the Company.

13.4.1 As of the date of sending this Voting Form, the number of shares which constitutes 5% of the total voting rights at the Company is: 381,307 ordinary shares of the Company having a par value of NIS 1 each.

13.4.2 As of the date of sending this Voting Form, the number of shares which constitutes 5% of the total voting rights at the Company which are not held by the controlling shareholder of the Company is: 178,179 ordinary shares of the Company having a par value of NIS 1 each.

14. A shareholder shall state his vote regarding any matter on the agenda which can be voted by this voting form on the second part of this voting form.

15. After the date of issuance of this voting form there may changes in the agenda which is the subject of this voting form (including adding a subject to the agenda), and position notices regarding the subjects of this voting form. The updated agenda an position notices which shall be published as aforesaid may be reviewed in the Company's report on the distribution website.

16. In case the board of Directors shall resolve to add a subject to the agenda of the meeting which is the subject of this report following a shareholders request, in accordance with regulation 5A to the Companies regulations (notice and announcement of a general meeting in a public company and adding a subject to an agenda), 2000, the Company shall issue a new voting form at the date of the issuance of the updated meeting convening report.

This is an English convenience translation of the original Hebrew version. In case of any discrepancy, the binding version is the Hebrew original

APPENDIX A – VOTING FORM

ISRAEL CORPORATION LTD.

VOTING FORM

In accordance with the Companies Regulations (Voting in Writing and Position Statements), 5765 – 2005 (hereinafter: the "Voting Regulations")

SECOND PART

Part A:

1. **Name of the Company:** Israel Corporation Ltd. (hereinafter: the "**Company**"); Public Co. No. 52-002801-0.

2. **Company's Address (for delivering and sending voting forms):** 23 Aranha St. (Millennium Tower), Tel Aviv.

3. **Date of the Meeting**: October 8, 2015, at 11:00 a.m., and any adjourned meeting.

4. **Type of the Meeting**: A special general meeting.

5. **Record Date:** Wednesday, September 9, 2015.

Part B (to be completed by the shareholders):

1. **Details of the Shareholder**

   1.1 Name of the Shareholder: ________________________.

   1.2 ID No.: ____________________________________.

   1.3 Passport No. (if the shareholder does not possess an Israeli ID card): ______________.

   1.4 The country in which the passport was issued (if the shareholder does not possess an Israeli ID card): _______.

   1.5 The passport is valid until (if the shareholder does not possess an Israeli ID card): _______.

   1.6 Corporation No. (if the shareholder is a corporation): ______________.

   1.7 Country of incorporation (if the shareholder is a corporation): ________.

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APPENDIX A – VOTING FORM

2. **Manner of Voting**

Item on the Agenda	Manner of Voting[1]			Are you a controlling shareholder of the Company or do you have a personal interest in the resolution[2]	
	For	Against	Abstain	No	Yes
Item 1 - Update of the deductible amount in this framework of the officers' liability insurance.					

Are you a principal shareholder[3], senior officer[3] of institutional investor[3]? Yes __ No ___

*** Please specify the nature of the relevant connection, as the case may be:**

____

____

____

3. **Comments in Accordance with the Voting Regulations**:

   a. Shareholders holding shares through a Stock Exchange member (pursuant to section 177(1) of the Companies Law, 5759 – 1999) – this Voting Form is valid solely upon the attachment of Confirmation of Ownership.

   b. Shareholders registered in the Company's Register of Shareholders – the Voting Form is valid upon the attachment of a photocopy of the ID card/ passport/ certificate of incorporation.

Date: ____________

____
Shareholder's Signature

[1] Failure to mark a response in this part is tantamount to abstaining in the vote on the said matter.

[2] The vote of a shareholder who fails to complete this column, or who marks "Yes", but fails to give details, shall not be included in the count of votes. "Personal interest" includes "negative personal interest".

[3] As defined in the Securities Law, 5728 – 1968.