

## **Restrictive Trade Practices Regulations (Registration, Publication and Reporting of Transactions), 5754-2004**

Pursuant to my authority under sections 7(b), 17, 20(a) and 51 of the Restrictive Trade Practices Law, 5748-1988 (hereinafter – the Law) and with the approval of the Economics Committee of the Knesset, I promulgate these regulations.

### **1. Definitions**

In these regulations –

“related person” – a person controlling a party to the merger, an entity controlled by a party to the merger and any entity controlled by any of them;

“monopolist” – whether or not declared as such pursuant to the Law;

“goods” – including services and including rights;

“subsidiary company” – a company controlled by another company;

“merging company” – including related persons;

“substitute goods” – the narrowest group of goods, the supply of which constitutes in the eyes of the consumer a direct and significant substitute for particular goods, including from a geographical point of view;

“product market” – particular goods and the group of goods that are substitutes for them; if the product market was defined in a decision of the Antitrust Tribunal or in an appeal from the decision, or in a decision of the General Director or an appeal from such decision, that definition is presumed to be the product market definition for purposes of these regulations;

“tangential product market” – a product market comprised of goods that serve as components in the manufacture or marketing of goods in another market, as well as a product market comprised of goods which - by their nature or in accordance with customary commercial terms – are manufactured, marketed or distributed together with goods from another product market or that are products that complement them.

### **2. Antitrust Registry**

The Antitrust Registry shall include restrictive arrangements files, company merger files and monopoly files, which shall be administered in accordance with these regulations, subject to the provisions of section 42 of the Law.

### **3. Restrictive Arrangements Files**

- (a) One who applies for an exemption from receiving the approval of the Tribunal pursuant to section 14 of the Law (hereinafter – application for an exemption) shall file with the General Director three copies of the request in accordance with Form 1 in the Supplement; however, an application for an exemption for a restrictive arrangement that is ancillary to a merger for which a notice of merger was filed as provided in Regulation 4, shall be filed as part of the notice of merger, in Form 2 or 3 in the Supplement, as appropriate.
- (b) Upon the submission of a copy of request for approval or application for an exemption, as above, the General Director shall open a restrictive arrangement file.
- (c) The restrictive arrangement file shall include documents relevant to the arrangement, as set out below:
  - (1) In a file of a request for approval of a restrictive arrangement (hereinafter – request for approval) – each request for approval, each judgment issued in respect of the request, each decision issued with respect to the request and a copy of each announcement that the General Director published in the Official Gazette and in daily newspapers;
  - (2) In a file of an application for an exemption – a copy of the application for the exemption, each decision of the General Director in respect of the request, each judgment handed down in an appeal from the General Director’s decision or in an appeal from the judgment in the appeal [from the General Director’s decision] and a copy of each announcement that the General Director published in the Official Gazette.

### **4. Notice of Merger Particulars**

- (a) A notice of merger shall be filed with the General Director in accordance with Form 2 in the Supplement (hereinafter – the full notice), subject to the provisions of sub-regulations (b) and (c).
- (b) A person filing a notice of merger, who himself – or a person related to him filed during the 12 months prior to the filing, filed another notice of merger (hereinafter – the first notice), the details of which are still correct, complete and current at the time of the filing of the new notice, may cross-refer in the new notice of merger to the first notice (hereinafter – a notice by cross-reference); the party filing a notice by cross-reference shall complete the declaration in the annex to Form 2 in the Supplement and shall attach a copy of the first notice to the new notice.

- (c) If all of the conditions set out below exist, the parties to the merger may file a notice in the form set out in Form 3 in the Supplement (hereinafter – short notice):
- (1) The combined share of the merging parties, including all persons related to any of them, in the product market that is the subject of the merger transaction – does not exceed 30 per cent;
  - (2) None of the merging companies, including any persons related to any of them, is a monopoly in a product market that is tangential to the product market that is the subject of the merger transaction;
  - (3) None of the merging companies, including persons related to any of them, is a party to an arrangement with a third party that competes with it in the market for a product that is a subject of the merger transaction.
- (d) If the parties to the merger filed short notices, the General Director may notify them, within 15 days, that they must file a full notice, if the General Director believes –
- (1) The conditions set out in sub-regulation (c) do are not satisfied, in whole or in part, or if there is an actual doubt concerning the correctness of the information contained in the short notice;
  - (2) The product market definition applied by the party filing the short notice is incorrect;
  - (3) The merging parties compete in another product market, which is not the product market that is the subject of the transaction and their combined share exceeds 30 per cent and may, under the circumstances, raise a reasonable likelihood of material injury to competition.
- (e) If the General Director advised as provided in sub-regulation (d) and full notices were filed – the 30-day period provided in section 20(b) of the Law shall begin to run from the filing of the full notices.
- (f) Four copies of notices of merger pursuant to this Regulation shall be filed with the General Director.
- (g) In this regulation, “control,” for purposes of defining related person – the power to direct, directly or indirectly, the operations of the entity; without derogating from the generality of the foregoing, a person will be presumed to have control if he –

- (1) Holds more than half of the voting rights conferred by virtue of shares or a class of shares at a general meeting of the company or at an organ corresponding to the general meeting in another [type of] entity, or of the rights to appoint more than half of the directors, and in an entity that is not a company – of the rights to appoint similar functionaries;
- (2) Possesses the right to appoint the general manager of that entity;
- (3) Holds a greater than 30 per cent interest in the rights in an entity, provided there is no one else holding more than half of such rights; for these purposes, “rights in the entity” – as defined in the Restrictive Trade Practices Rules (General Provisions and Definitions), 5761-2001;
- (4) Is a party to an arrangement with other shareholders concerning how they will vote on different issues in the Company, the management of the Company or the appointment of managers, and the combined interest of the parties to the arrangement reaches the amount provided in clause (3).

## **5. Company Merger Files**

If the General Director’s consent to the merger has been granted, the General Director shall open a file for the merger of the companies, which shall contain documents concerning that merger, as detailed below:

- (1) The notice of merger, excluding its confidential sections and excluding its exhibits;
- (2) Each decision of the General Director concerning the merger;
- (3) Each decision of the Tribunal or the President of the Tribunal;
- (4) Each decision of the Supreme Court in an appeal pursuant to section 39 of the Law;
- (5) A copy of each announcement that the General Director published in the Official Gazette and in daily newspapers;
- (6) Each decision of the General Director concerning a restrictive arrangement that is ancillary to the merger for which an application for an exemption was filed and each decision that was rendered by the Tribunal, the President of the Tribunal or the Supreme Court concerning such application for an exemption.

## **6. Monopoly Files**

- (a) If the General Director decrees the existence of a monopoly pursuant to section 26 of the Law or determines that an oligopoly constitutes a monopoly pursuant to section 43(a) of the Law, the General Director shall open a monopoly file.
- (b) The monopoly file shall contain the following documents concerning that monopolist:
  - (1) Each announcement or determination as provided in sub-regulation (a);
  - (2) A copy of each announcement that the General Director published in the Official Gazette and in daily newspapers, and of each demand made by the General Director, pursuant to section 27 of the Law;
  - (3) The proposed directives that became available for public inspection pursuant to section 30(e) of the Law and each application by the General Director to the Tribunal pursuant to section 31 of the Law;
  - (4) Each appeal that was filed in the Tribunal by a monopolist or by members of the oligopoly;
  - (5) Each decision of the Tribunal or the President of the Tribunal in an appeal as provided in clause (4) and each decision issued by the Supreme Court in an appeal pursuant to section 39 of the Law.

## **7. Details of Publication in the Official Gazette and in Daily Newspapers**

- (a) The announcement that the General Director must publish in the Official Gazette and in two daily newspapers pursuant to section 7 of the Law concerning the registration of a request for approval of a restrictive arrangement shall include the following details:
  - (1) The names of the parties to the arrangement;
  - (2) The asset or service that is the subject of the arrangement;
  - (3) The nature of the restraint;

- (4) The place where and the time when the public may inspect details of the arrangement.
- (b) The announcement that the General Director must publish in the Official Gazette pursuant to section 42(c) of the Law concerning the approval of a restrictive arrangement shall include the following details:
  - (1) The names of the parties to the arrangement;
  - (2) The decision of the Tribunal concerning the request for approval;
  - (3) The date of the decision.
- (c) The announcement that the General Director must publish in the Official Gazette and in two daily newspapers pursuant to section 21 of the Law concerning a notice of merger shall include the following details:
  - (1) The names of the merging parties;
  - (2) The asset or service that the merging parties deal with;
  - (3) The decision of the General Director including the substance of any conditions;
  - (4) Each decision concerning a change or cancellation of conditions;
  - (5) The place where and the time when the public may inspect the merger file.
- (d) The General Director shall note the name of the monopolist and the asset or service as to which a monopoly exists in the announcement of a declaration of a monopoly in the Official Gazette pursuant to section 26 of the Law.
- (e) The announcement that the General Director must publish in the Official Gazette pursuant to section 14 of the Law concerning an application for an exemption shall include the following details:
  - (1) The names of the parties to the arrangement;
  - (2) The asset or service that that is the subject of the arrangement;
  - (3) The nature of the restraint;
  - (4) The essential elements of the General Director's decision, including conditions that were imposed;

- (3) Each decision concerning a change or cancellation of conditions;
- (4) The place where and the time when the public may inspect details of the arrangement.

## **8. Public Inspection**

Files of applications for approvals of restrictive arrangements, files of applications for exemptions given pursuant to section 14 of the Law, files of mergers that the General Director has approved and monopoly files – shall be available for inspection by the public in the offices of the Antitrust Authority in Jerusalem, on days and at hours set by the General Director and on the Authority's website.

## **9. Determining Sales Turnover in Mergers of Companies**

For purposes of section 17(a)(2) of the Law, the sales turnover of merging companies shall be as detailed below:

- (1) The sales turnover of each merging company shall include the value of its sales according to audited financial statements, excluding value added tax and purchase tax; if the merging company has parent companies or subsidiaries, its turnover shall be determined according to the consolidated financial statements;
- (2) The sales turnover of at least two of the merging companies shall not be less than 10 million New Israeli Shekels each and the combined sales turnover of all of the companies that are parties to the merger shall not be less than 150 million New Israeli Shekels.

## **10. Revocation**

The Restrictive Trade Practices Regulations (Registration, Notice of Merger, Notice of the General Director to the Public and Determining Sales Turnover in Mergers of Companies), 5749 – 1989 – are revoked.

## **11. Effect**

- (a) These regulations, excluding as provided in sub-regulation (b), shall become effective 30 days from their publication. [*n.b.* – The regulations were published on 20 July 2004.]
- (b) Regulation 8, with respect to publication on the Internet, shall become effective on 20 Shevat 5765 (1 January 2005) and the obligations thereunder shall apply to files opened from that date.

**Supplement**

Form 1  
(Regulation 3(a))

**Application for Exemption from Approval of Restrictive Arrangement**

**Pursuant to the Restrictive Trade Practices Law, 5748 - 1988**

Pursuant to section 14 of the Restrictive Trade Practices Law, 5748-1988, this application for an exemption from approval of the Tribunal is filed concerning a restrictive arrangement as detailed below:

1. The party to the arrangement requesting the exemption –  
Name \_\_\_\_\_  
Address \_\_\_\_\_  
Address for Delivery of Documents \_\_\_\_\_
  
2. Other parties to the arrangement –  
Name \_\_\_\_\_  
Address \_\_\_\_\_
  
3. Form of the Arrangement: Oral \_\_\_\_\_ Written \_\_\_\_\_
  
4. If the arrangement was effected in a writing – description of the documents establishing it and those that relate to it:
  1. \_\_\_\_\_
  2. \_\_\_\_\_
  3. \_\_\_\_\_
  4. \_\_\_\_\_
  
5. The asset or service that is the subject of the arrangement \_\_\_\_\_
  
6. The nature and particulars of the restraint \_\_\_\_\_
  
7. The term of the restrictive arrangement \_\_\_\_\_
  
8. The grounds justifying an exemption from approval by the Tribunal \_\_\_\_\_  
\_\_\_\_\_

Copies of the documents described in section 4 are attached hereto.

I declare that all of the foregoing details are complete and correct, that the attached documents are correct and there is no other document creating the arrangement or concerning it.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name

\_\_\_\_\_  
Signature and Stamp

# NOTICE OF MERGER

Form 2  
Regulations 3(a)  
and 4(a) and (b)

Terms appearing in this form shall bear the definitions contained in the Restrictive Trade Practices Law, 5748-1988 (hereinafter "**the Law**" or the "**Restrictive Trade Practices Law**") and in the Restrictive Trade Practices Regulations (General Instructions and Definitions), 5761-2001<sup>1</sup> (hereinafter – the "**Regulations**"), unless defined otherwise.

[Seal of  
the  
Antitrust  
Authority]

- **Definitions of terms in this form:**
  - "**Person filing the Notice of Merger**" – including person related to him.
  - "**Person related to person filing the Notice of Merger**" – Person who controls the person filing the notice of merger, entity controlled by the person filing the Notice of Merger and every entity controlled by any of them.
  - "**Control**" – as defined in section 1 of the Law.
  - "**Firm**" – including person related to the firm.
  - "**A merger with horizontal aspects**" – a merger of firms that manufacture, market, distribute or supply substitute goods as defined in the Regulations (hereinafter also – horizontal merger)
  - "**A merger with vertical aspects**" – a merger of firms that operate on different levels of the chain of the manufacture, marketing and sale of goods (hereinafter also – vertical merger)
  - "**Conglomerate merger**" – a merger that does not have a horizontal or vertical aspect.
- Section headings in this form are for convenience only and shall not be used in the interpretation of this form.

## INSTRUCTIONS FOR COMPLETION WHAT IS REQUIRED TO COMPLETE THE FORM?

This notice of merger form contains different requests for information depending on the type of merger for which the notice is being filed:

- If the merger transaction has horizontal aspects, complete Parts A through G, I, K through M.
- If the merger transaction has vertical aspects, complete Parts A through F, H and I, K through M.
- If the merger is conglomerative, complete Parts A through D, J through M.
- If the merger has horizontal and vertical aspects, complete parts relevant to both types of mergers.

One may refer to a prior notice if it was filed during the last twelve months and if the particulars provided in that notice are correct as of the time of the filing of this notice. Make the reference by completing the annexed declaration appearing on page 10.

If the merger transaction includes a restrictive arrangement that requires an exemption – complete Part N instead of filing a separate request for an exemption.

If the information required does not fit the space provided in the form, attach response pages that refer clearly to the corresponding parts and sections.

A company that conducts business both in Israel and abroad is referred to section 18 of the Law.

<sup>1</sup> Regulations, 5761, p. 658.

A	General Information Concerning the Person Filing the Notice of Merger			
<b>1) The filing person is</b>	<input type="checkbox"/> The acquiring party in the merger <input type="checkbox"/> The acquired party in the merger			
<b>2) Details concerning the filing person</b>	Filing Person	Telephone Number		Additional Telephone Number
	Street/P.O. Box	House Number	City	Zip Code
<b>3) Address for delivery of papers</b>	Street/P.O. Box	House Number	City	Zip Code
<b>4) Contact person on behalf of person filing the notice (attorney, accountant or any other person filling the role)</b>	Name	Position		Telephone Number
	Fax Number	Email Address		
	Street/P.O. Box (if different than above)	House Number	City	Zip Code
<b>5) Other parties to the merger transaction</b>	1. _____ 2. _____ 3. _____			

B	The Reason for Filing the Notice of Merger
<b>6) The reasons by virtue of which the transaction is a "merger of companies"</b>	<p>Mark all of the reasons by virtue of which the transaction is a "merger of companies" pursuant to section 1 of the Law.</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> The principle assets of the company are being acquired in the transaction</li> <li><input type="checkbox"/> The acquiring company is acquiring shares worth more than one-quarter of the capital value of the issuer in the transaction</li> <li><input type="checkbox"/> More than one-quarter of the voting power in the acquired company is being acquired in the transaction</li> <li><input type="checkbox"/> The right to appoint more than one-quarter of the board of directors in the acquired company is being acquired in the transaction</li> <li><input type="checkbox"/> The right to participate in more than one-quarter of the acquired company's profits is being acquired in the transaction</li> <li><input type="checkbox"/> Due to another transaction, the extent of holdings will pass the level established in the Law</li> <li><input type="checkbox"/> Another reason, specify:            _____            _____</li> </ul>
<b>7) The reasons giving rise to the obligation to file a "notice of merger"</b>	<p>Mark all the reasons set out in section 17(a) of the Law giving rise to the obligation to file a notice of merger.</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> After the merger, the share of the merging companies, including related persons, will exceed one-half of:           <ul style="list-style-type: none"> <li><input type="checkbox"/> The manufacture of an asset or service</li> <li><input type="checkbox"/> The sale of an asset or service</li> <li><input type="checkbox"/> The purchase of an asset or service</li> <li><input type="checkbox"/> The marketing of an asset or service</li> </ul>           Said asset/service is: - _____</li> <li><input type="checkbox"/> The combined sales turnover of the merging companies, during the fiscal year preceding the merger, exceeds the amount specified in or pursuant to section 17(a)(2) of the Restrictive Trade Practices Law (that amount is currently 150 million NIS and the sales turnover of at least two of the merging companies is no less than 10 million NIS)</li> <li><input type="checkbox"/> One of the merging companies (or a person controlling or controlled by it) is a monopolist as defined in the Restrictive Trade Practices Law            The name of the monopolist is – _____</li> </ul>

C	<b>The Merger Transaction</b>
<b>8) Highlights of the merger transaction</b>	<p>Summarize the nature of the business process involved in the merger transaction Provide a general picture of the transaction and its goals (for example, entering into a new area of operation by acquiring a majority/minority holding in an existing company, acquiring operations that will complement existing operations, expanding operations in a particular market, etc.). Also note the means of the acquisition (cash, exchange of shares, combination).</p> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>

D	<b>Business and Areas of Activity that are the Subject of the Merger Transaction</b>
<b>9) The business activity</b>	<p>Describe briefly the lines of business that are the subject of the merger transaction. You should provide a summary description of the areas of activity that are being acquired/sold in the framework of the merger. For example: manufacture and sales of CDs, book publishing, movie production.</p> <hr/> <hr/> <hr/> <hr/>
<b>10) Location of the business activities</b>	<p>The activity that is the subject of the merger transaction</p> <p><input type="checkbox"/> Is conducted in specific geographical areas. The areas are: _____</p> <p><input type="checkbox"/> Nationwide</p>
<b>11) The share of the person filing the Notice of Merger in the overall activities that are the subject of the merger transaction</b>	<p>What is the share of the person filing the Notice of Merger in the overall sales, in quantity and financial terms, in each of the activities that is the subject of the merger transaction. For example: The shares of the person filing the Notice of Merger and related persons in activities that were listed above are: CDs – 20% (financial), 25% (quantity); book publishing – 18% (financial), 15% (quantity); movie production – 80% (financial), 60% (quantity). <b>Note also the basis for the quantitative estimates (market survey, Central Bureau of Statistics data, estimation).</b></p> <hr/> <hr/> <hr/> <hr/>
<b>12) Competitors</b>	<p>List the names of the principal competitors of the person filing the Notice of Merger in each of the activities of the merging company that are the subject of the merger transaction.</p> <p>1. _____</p> <p>2. _____</p> <p>3. _____</p> <p>4. _____</p> <p>5. _____</p>

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<b>E</b>	<b>Classification of Business and Areas of Activity</b>	
	This part shall be completed by a party to horizontal or vertical merger	
<b>Definitions</b>	<ul style="list-style-type: none"> <li>• <b>"Parties' Products"</b> – Goods manufactured, marketed, distributed or supplied by the person filing the Notice of Merger, that are or that their substitutes or tangential goods are manufactured, marketed, distributed or supplied by another party to the merger or a related person.</li> <li>• <b>"Tangential Goods"</b> – Goods that are components in the manufacture or marketing of others' goods.</li> <li>• <b>"Substitute Goods"</b> – The narrow group of goods that are direct and significant substitutes in the eyes of the consumer, including from a geographical point of view.</li> </ul>	
<b>13) Describe the Parties' Products</b>	Specify all products included in the definition "Parties' Products." The purpose of the itemization requirement is to discern competitive relationships or supplier-customer relationships between products that are supplied by the parties to the merger. In case of doubt concerning a specific activity, the parties may present to the Authority the classification of the activity according to the Standard Industrial Classification of All Economic Activities 1993 (Technical Publication Number 63).*	
	<b>Substitute (Horizontal) Goods</b>	<b>Vertical Goods</b>

<b>14)</b>	Itemize the products that are manufactured, marketed, distributed or supplied by the person filing the Notice of Merger that are not substitute or vertical and therefore were not listed in section 13 above:
	_____
	_____
	_____

\* One may obtain the Standard Industrial Classification of All Economic Activities 1993 (Technical Publication Number 63) at the offices of the Central Bureau of Statistics:

**Jerusalem**, 66 Canfei Nesharim Street, Givat Shaul P.O.B. 34525, zip code 91342, telephone 02-6592222, fax 02-6521340.  
**Tel-Aviv**, 86 Petach Tikvah Road, Leo Goldberg House, P.O.B 57207, zip code 61571, telephone 03-5681933, fax 03-5681946.  
**Haifa**, 15A Pal Yam Boulevard, P.O.B. 33551, zip code 31334, telephone 04-8632355, fax 04-8632370.  
**Be'er Sheva**, 21 Shazar Boulevard, Noam House, P.O.B. 5842, zip code 84158, telephone 08-6286226, fax 08-6232064.

<b>F</b>	<b>Scope of Activities in the Relevant Markets (including through arrangements)</b>			
	This part shall be completed only by someone who is a party to a horizontal or vertical merger in markets in which the share of the person filing the Notice of Merger, or the combined market share of the parties to the merger, is at least 25% of the market in financial or quantitative terms.			
<b>Definitions</b>	<ul style="list-style-type: none"> <li>• <b>"The Product Market"</b> – Goods of the sort manufactured, marketed, distributed or supplied by the person filing the Notice of Merger, including goods that are close, direct and significant substitutes for such goods.</li> <li>• <b>"Supply"</b> – Sales of any sort, including sales to wholesalers.</li> </ul>			
<b>15)</b>	Detail the scope of the sales of the person filing the Notice of Merger and his/her share in each of the markets for the parties' products listed in section 13 during the two years that preceded the Notice of Merger (in financial and quantitative terms).			
	<b>Person Filing the Notice of Merger</b>			
	<b>Year</b>		<b>Year</b>	
	<b>Sales-NIS</b>	<b>Market Share-%</b>	<b>Sales-NIS</b>	<b>Market Share-%</b>
In the local manufacture (revenues)				
In the local manufacture (quantitative)				
In supply (or purchase) in the local market (revenues)				
In supply (or purchase) in the local market (quantitative)				



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<b>H</b>	<p><b>Alternative Suppliers to the Parties to a Vertical Merger</b> This part shall be completed by a party to a vertical merger</p>
<b>21)</b>	<p>Who are the suppliers who market goods that are substitutes for each of the goods classified as vertical in section 13?</p> <p><input type="checkbox"/> There are no such suppliers</p> <p><input type="checkbox"/> There are suppliers of substitute goods. The names of the suppliers are:</p> <p>_____</p> <p>_____</p>
<b>22)</b>	<p>Are there any businesses that purchase goods that are identical to or substitutes for goods that are classified as vertical in section 13?</p> <p><input type="checkbox"/> There are no businesses that purchase identical or substitute goods in the market</p> <p><input type="checkbox"/> There are businesses that purchase identical or substitute goods in the market. The names of these businesses are:</p> <p>_____</p> <p>_____</p>
<b>I</b>	<p><b>Barriers in the Markets for the Parties' Products</b> This part shall be completed by someone who is a party to a horizontal or vertical merger, only with respect to those markets in which the share of the person filing or the combined shares of the parties to the merger is at least 25% of the overall market in financial or quantitative terms.</p>
<b>Definitions</b>	<p>• <b>"The Product Market"</b> – Goods of the sort manufactured, marketed, distributed or supplied by the person filing the Notice of Merger, including goods that are close, direct and significant substitutes for such goods.</p>
<b>23) Barriers</b>	<p>Are there any barriers to entry into the activities in the market with respect to each of the parties' products that are listed in section 13?</p> <p>Market barriers are obstacles impeding a firm operating outside a specific relevant market that seeks to enter into activity in the relevant product market. For example: Entry into the relevant product market requires the establishment of a nationwide distribution system at high cost, entry into the relevant market requires substantial investment in advertising in the relevant market, intense customer loyalty to existing brands.</p> <p><input type="checkbox"/> There are no such barriers</p> <p><input type="checkbox"/> There are barriers to entry, list all of the barriers to entry with respect to each of the parties' product markets: _____</p> <p>_____</p> <p>_____</p>
<b>24) Regulatory barriers</b>	<p>Are there any regulatory barriers (licensing requirements, standards and the like), concerning the activities in the product market concerning each of the parties' products that are listed in section 13?</p> <p><input type="checkbox"/> There are no regulatory requirements</p> <p><input type="checkbox"/> There are regulatory requirements, list all of them and to which of the parties' product markets they relate: _____</p> <p>_____</p>
<b>25) Barriers to expansion</b>	<p>Are there any barriers to expansion concerning each of the parties' products that are listed in section 13?</p> <p>Barriers to expansion are obstacles impeding a firm operating in a specific relevant market (as distinguished from barriers to entry that apply to a party that is outside the relevant market) that seeks to expand the scope of goods or types of goods it manufactures, markets, distributes or supplies. Examples of barriers to expansion include: manufacturing expansion requires the establishment of an additional plant at high cost, manufacturing expansion requires a substantial increase in the amount of work hours at the plant, manufacturing expansion requires obtaining building permits that would take a long time to receive.</p> <p><input type="checkbox"/> There are no barriers to expansion</p> <p><input type="checkbox"/> There are barriers to expansion; provide detail with respect to all of the parties' product markets: _____</p> <p>_____</p>
<b>26) Import competition</b>	<p>Is there any competition from imports with respect to each of the parties' products that are listed in section 13?</p> <p><input type="checkbox"/> There is no competition from imports</p> <p><input type="checkbox"/> There is competition from imports estimated at _____% of the market. The importers' names are: _____</p> <p>_____</p> <p>_____</p> <p>What are the barriers to importing goods that compete in any of the product markets with respect to each of the parties' goods that are listed in section 13? List also regulatory impediments, if any (import duties, levies [including guarantee or dumping], purchase taxes, licensing, official standards, import limits, etc.).</p> <p>_____</p> <p>_____</p>

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**J**

**Person Filing the Notice of Merger**

This part shall be completed only by a party to a conglomerate merger

The parties to the merger shall list their holdings as specified in this part in order to enable the Antitrust Authority to conduct a preliminary review for purposes of confirming that there does not in fact exist a threat to competition the source of which is a possible overlap between the areas of activities of persons who hold material stakes up or down the chain of holdings in the entity filing the Notice.

**27) Holders of Interests in the Entity Filing the Notice of Merger.**  
 Who directly or indirectly holds interests of at least 20% of the issued share capital or rights to appoint at least one officeholder of the entity (one may attach a chart of holdings):

Name of holder	Description of areas of its activities and principal goods it supplies	Does the holder possess control of the person filing the Notice of Merger? <input type="checkbox"/> Yes <input type="checkbox"/> No	Extent of its holdings in the person filing the Notice of Merger %	Extent of its holdings in the person filing the Notice of Merger (percentage)			
				Voting in general meetings %	Appointing officeholders (including directors and general managers) %	Participating in the entity's profits %	Sharing in the remaining assets of the entity upon its liquidation %
		<input type="checkbox"/> Yes <input type="checkbox"/> No	%	%	%	%	%
		<input type="checkbox"/> Yes <input type="checkbox"/> No	%	%	%	%	%
		<input type="checkbox"/> Yes <input type="checkbox"/> No	%	%	%	%	%
		<input type="checkbox"/> Yes <input type="checkbox"/> No	%	%	%	%	%
		<input type="checkbox"/> Yes <input type="checkbox"/> No	%	%	%	%	%

**28) Interests of the Person Filing the Notice of Merger in Other Entities**  
 In which entities does the person filing the notice of merger or do persons related to it directly or indirectly hold interests of at least 20% of the issued share capital or rights to appoint at least one officeholder (one may attach a chart of holdings).

Name of entity held	Description of areas of its business, areas of its activities and goods it supplies	Name of the rights holder (the person filing the Notice of Merger or any related person in the holding)	Does the person filing the notice of merger possess control of the entity? <input type="checkbox"/> Yes <input type="checkbox"/> No	Extent of its holdings in the held entity %	Extent of its holdings in the held entity (percentage)			
					Voting in general meetings %	Appointing officeholders (including directors and general managers) %	Participating in the entity's profits %	Sharing in the remaining assets of the entity upon its liquidation %
			<input type="checkbox"/> Yes <input type="checkbox"/> No	%	%	%	%	%
			<input type="checkbox"/> Yes <input type="checkbox"/> No	%	%	%	%	%
			<input type="checkbox"/> Yes <input type="checkbox"/> No	%	%	%	%	%
			<input type="checkbox"/> Yes <input type="checkbox"/> No	%	%	%	%	%
			<input type="checkbox"/> Yes <input type="checkbox"/> No	%	%	%	%	%

**29) Complementary Products**

- **"Complementary Products"** – Goods that by their nature, or consistent with customary commercial terms, are manufactured, marketed, distributed or supplied together or that are complementary products.

List all of the goods that are manufactured, marketed, distributed or supplied by the person filing the Notice of Merger, for which goods that are complementary to them are manufactured, marketed or supplied by another party to the merger:

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**- Confidential – The information in this part is confidential and shall not be filed in the Registry**

**-CONFIDENTIAL-**

K	<b>Information Relevant to Analyzing the Impact of the Merger on Competition</b>
<b>30) Additional Information relevant to considering the effects of the merger on competition</b>	<p>Is there any additional information relevant to analyzing any impact the merger may have on competition, to the knowledge of the person filing the notice of merger, that may affect the decision of the Antitrust General Director with respect to the request for approval of the merger? For example: The relevant market is regulated by the State, the person filing the Notice of Merger has cross-ownership ties with other competitors or lending relationships with competitors or persons who control them.</p> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>
L	<b>Prior Mergers of the Party Filing the Notice of Merger</b>
<b>31) Prior mergers requiring the approval of the General Director</b>	<p>List all mergers requiring the approval of the Antitrust General Director to which the person filing the Notice of Merger was a party in the last three years.</p> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>
M	<b>Attached Documents</b>
<b>32) Documents that must be attached</b>	<ol style="list-style-type: none"> <li>1. Merger Agreement and its appendices.</li> <li>2. Audited financial statements for the last two fiscal years of the person filing the Notice of Merger. A foreign company that files a Notice of Merger may attach audited financial statements of entities through which it operates in Israel, instead of filing its financial statements.</li> <li>3. Prospectuses filed by the person filing the Notice of Merger during the last five fiscal years.</li> <li>4. Other documents relevant to considering the competitive effects of the merger.</li> <li>5. A person filing a Notice of Merger who requests approval of a restrictive arrangement in the framework of this Notice of Merger shall attach documents that are relevant to considering the competitive effects of the restrictive arrangement.</li> </ol>

<b>N</b>	<p><b>Request for an Exemption with Respect to Restraints Ancillary to the Merger in Lieu of Filing a Separate Request for an Exemption</b></p> <p>This part should be completed only by someone whose merger transaction includes ancillary restraints</p>
<b>33) Restrictive arrangements for which an exemption is sought</b>	<p>1. Describe in short the restrictive arrangements for which an exemption from obtaining approval of a restrictive arrangement is sought.</p> <p>(a) If there are any parties to the restrictive arrangement who are not parties to the merger transaction, provide their names, mailing addresses, websites, details of their contact persons and relevant telephone numbers:</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>(b) The restraints in the arrangement:</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>(c) The goods/services to which the arrangement relates:</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>(d) The term of the arrangement (including options to extend the term of the arrangement):</p> <p>_____</p> <p>2. Describe the nature of the arrangements and the need for them:</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>3. If the restrictive arrangement was created in writing, attach all documents establishing the arrangement.</p>

<b>O</b>	<p><b>Declaration</b></p>
<b>34) Declaration</b>	<p><b>Declaration of the person filing the Notice of Merger and obligation to provide correct, complete and current information:</b></p> <p>I the undersigned, who serves in the position of _____ of the person filing the Notice of Merger, hereby declare as follows:</p> <ol style="list-style-type: none"> <li>1. I have been authorized to submit all required information to the Antitrust Authority in the framework of a Notice of Merger.</li> <li>2. No limitation has been imposed on me in providing complete and accurate information as required in the form of Notice of Merger.</li> <li>3. All of the information contained in the Notice of Merger is correct, complete and current, including the contents of Part N, above.</li> <li>4. The documents annexed to the Notice of Merger are correct and complete and do not lack any material information or exhibit (including transmittal letters and any written or oral understandings).</li> <li>5. I know that the General Director will use the information contained in the Notice and in its exhibits in deciding whether to approve the merger that is the subject of the Notice and I know and understand my obligation to provide correct, complete and current information to the Antitrust Authority.</li> </ol> <p>Date _____ Name of the Company _____</p> <p>Name and Title of Authorized Signatory _____ Company Signature _____</p>

## ANNEX

P

Regulation 4(b)

**Declaration Accompanying Notice of Merger by Way of Cross-Reference**

We, the undersigned, authorized managers of the Company \_\_\_\_\_ (hereinafter "**the Company**"), which seeks to merge with \_\_\_\_\_, hereby declare in writing as follows:

- 1) In an enforceable contract dated \_\_\_\_\_, the Company entered into a merger transaction with \_\_\_\_\_.
- 2) On the date \_\_\_\_\_, the Company filed a detailed Notice of Merger concerning ownership of and rights in the company and entities that control it and that are controlled by it, the areas of its business and their market shares – in merger file \_\_\_\_\_ which was considered by the Antitrust Authority and in which a decision was given on the date \_\_\_\_\_ (hereinafter "**the prior notice of merger**").
- 3) On the date \_\_\_\_\_, the Company entered into a merger agreement with \_\_\_\_\_ (hereinafter "**the new merger**").
- 4) Mark with a  $\checkmark$  and complete as necessary:
  - The prior notice of merger, including all of the information it contains, is correct, current and accurately reflects the status of the Company also as of today.
  - The details found in sections \_\_\_\_\_ of the prior notice of merger to which we have referred in this Notice of Merger are correct, current and accurately reflect the condition of the Company also as of today.

**PLEASE NOTE!**

The person filing the Notice of Merger must complete this form, including all of its sections, except for sections to which he has referred above.

- 5) We know that the General Director relies on this declaration for purposes of his review and determination with respect to the new merger and that our obligation it is to refer to information that was provided in the prior notice of merger only if it is correct as of the time of the review of this Notice of Merger.
- 6) The following documents are attached to this declaration:
  - The merger agreement and its appendices.
  - Audited financial statements for the last two fiscal years of the person filing the Notice of Merger. A foreign company that files a Notice of Merger may attach audited financial statements of entities through which it operates in Israel, instead of filing its financial statements.
  - Prospectuses filed by the person filing the Notice of Merger during the last five fiscal years.
  - Other documents relevant to considering the competitive effects of the merger.

**Signatures of the Managers**

Date \_\_\_\_\_ Name \_\_\_\_\_ Signature \_\_\_\_\_

Date \_\_\_\_\_ Name \_\_\_\_\_ Signature \_\_\_\_\_

# ABBREVIATED NOTICE OF MERGER

Form 3  
Regulations 3(a)  
and 4(c)

This form is intended for the situations set out in Regulation 4(c) of the Restrictive Trade Practices Regulations (Registration, Publication and Reporting of Transactions), 5764 – 2004.

- Terms appearing in this form shall bear the definitions contained in the Restrictive Trade Practices Law, 5748-1988 (hereinafter **“the Law”** or the **“Restrictive Trade Practices Law”**) and in the Restrictive Trade Practices Regulations (General Instructions and Definitions), 5761-2001 (hereinafter – the **“Regulations”**), unless defined otherwise.
- **“Person filing the Notice of Merger”** – including person related to him.
- **“Person related to person filing the Notice of Merger”** – Person who controls the person filing the Notice of Merger, entity controlled by the

person filing the Notice of Merger and every entity controlled by any of them.

- **“Control”** – as defined in section 1 of the Law.

Section headings in this form are for convenience only and shall not be used in the interpretation of this form.

### INSTRUCTIONS FOR COMPLETION- WHAT IS REQUIRED TO COMPLETE THE FORM?

If the merger transaction includes a restrictive arrangement that requires an exemption – one should complete Part G rather than file a separate request for an exemption.

A company that conducts business both in Israel and abroad is referred to section 18 of the Law.

[Seal of the  
Antitrust  
Authority]

A	General Information Concerning the Person Filing the Notice of Merger			
1) The filing person is	<input type="checkbox"/> The acquiring party in the merger <input type="checkbox"/> The acquired party in the merger			
2) Details concerning the filing person	Name of the Filing Person		Telephone Number	Additional Telephone Number
	Street/P.O. Box	House Number	City	Zip Code
3) Contact person information	Name of Contact Person		Telephone Number	Additional Telephone Number
	Street/P.O. Box (if different than above)		House Number	City      Zip Code
4) Other parties to the merger transaction	1. _____ 3. _____ 2. _____ 4. _____			
5) Ultimate controlling owner of the person filing the Notice	Identify the ultimate controlling owner of the entity that is filing the Notice of Merger. There is no need to list all entities through which the person filing the Notice of Merger is held. In the event of a control group, list all of its members. For these purposes, “control” – as provided in the Restrictive Trade Practices Regulations (General Instructions and Definitions), 5761-2001. _____			

15 R<sup>3</sup>H 6.2004

B	Business and areas of activity that are the subject of the merger transaction	
Definitions	<ul style="list-style-type: none"> <li>• <b>“Parties’ Products”</b> – Goods manufactured, marketed, distributed or supplied by the person filing the Notice of Merger, that are, or their substitutes or tangential goods are, manufactured, marketed or distributed or supplied by another party to the merger or a related person.</li> <li>• <b>“Supply”</b> – Sales of any sort, including to wholesalers.</li> <li>• <b>“Tangential Goods”</b> – Goods that are components in the manufacture or marketing of other goods.</li> </ul>	
6) Definitions of markets	<b>Markets Relevant to the Activities of the Parties to the Merger</b>	<b>Support for Correctness of Market Definition</b> (Optional, no obligation to complete)
	For example: A. Shoe Soles Market	A. ...
	B. Shoe Lace Market	B. Decision of the General Director in the Matter of ...
	C. Marketing Chains Market	C. Judgment of the Tribunal in file no. ...
7) Share of the person filing the Notice of Merger in	What is the share of the person filing the Notice of Merger in quantitative and financial terms in each of the relevant markets in which it manufactures, markets, distributes or supplies the parties’ products. For example: Firm A sells leather shoes, watches, books and records. Firm B sells leather, paper, records and televisions. Firm A must report its share in quantitative and financial terms of the relevant market for the sale of leather shoes (since Firm B supplies a raw material used in the manufacture of leather shoes), in the relevant market for the sale of books (since	

<b>activities that are the subject of the merger</b>	Firm B supplies a raw material used in the manufacture of books) and in the relevant market for the sale of records (since Firm B sells records). State also the basis for estimates of quantities (market surveys, Central Bureau of Statistics data, estimate). <hr/> <hr/>
<b>8) Competitors</b>	List the names of the principal competitors of the person filing the Notice of Merger in each of the activities of the merging company that are the subject of the merger transaction.  1. _____ 4. _____ 2. _____ 5. _____ 3. _____ 6. _____

**- CONFIDENTIAL -**
**- Confidential – The information in this part is confidential and shall not be filed in the Registry**

<b>C</b>	<b>Customers and Suppliers</b>
<b>9) Names of customers</b>	<p>List the complete names of two principal customers of the person filing the Notice of Merger in each of the relevant markets that you listed in Part B (provide the names of contact persons and their contact information).</p> <p>1. _____</p> <p>2. _____</p>
<b>10) Names of suppliers</b>	<p>List the complete names of two principal suppliers of the person filing the Notice of Merger in each of the relevant markets that you listed in Part B and the sorts of components they supply (provide the names of contact persons and their contact information).</p> <p>1. _____</p> <p>2. _____</p>
<b>D</b>	<b>Basic Information Concerning the Markets that are the Subject of the Merger Transaction</b>
<b>11) Required details</b>	<p>1. Does a monopoly exist in the market that is the subject of the merger transaction? Who?</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>2. Is there governmental supervision of prices, quantities or other significant aspects of the commercial activities in the market that is the subject of the merger transaction? Describe.</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p>
<b>E</b>	<b>Prior Mergers of the Person Filing the Notice of Merger</b>
<b>12) Prior mergers requiring the approval of the Commissioner</b>	<p>List all mergers requiring the approval of the General Director to which the person filing the Notice of Merger was a party in the last three years.</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p>
<b>F</b>	<b>Attached Documents</b>
<b>13) Documents that must be attached</b>	<ol style="list-style-type: none"> <li>1. Merger agreement and its appendices.</li> <li>2. Audited financial statements for the last two fiscal years of the person filing the Notice of Merger. A foreign company that files a Notice of Merger may attach audited financial statements of entities through which it operates in Israel, instead of filing its financial statements.</li> <li>3. Prospectuses filed by the person filing the Notice of Merger during the last five fiscal years.</li> <li>4. Other documents relevant to considering the competitive effects of the merger.</li> <li>5. A person filing a Notice of Merger who requests approval of a restrictive arrangement in the context of this Notice of Merger shall attach documents that are relevant to considering the competitive effects of the restrictive arrangement.</li> </ol>

<b>G</b>	<p><b>Request for an Exemption with Respect to Restraints Ancillary to the Merger in Lieu of Filing a Separate Request for an Exemption</b></p> <p>This part should be completed only by someone whose merger transaction includes ancillary restraints</p>
<b>14) Restrictive arrangements for which an exemption is sought</b>	<p>1. Describe in short the restrictive arrangements for which an exemption from obtaining approval of a restrictive arrangement is sought.</p> <p>(a) If there are any parties to the restrictive arrangement who are not parties to the merger transaction, provide their names, mailing addresses, websites, details of their contact persons and relevant telephone numbers:</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>(b) The restraints in the arrangement:</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>(c) The goods/services to which the arrangement relates:</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>(d) The term of the arrangement (including options to extend the term of the arrangement):</p> <p>_____</p> <p>_____</p> <p>2. Describe the nature of the arrangements and the need for them:</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>3. If the restrictive arrangement was created in writing, attach all documents establishing the arrangement.</p>

<b>H</b>	<p><b>Declaration</b></p>
<b>15) Declaration</b>	<p><b>Declaration of the person filing the Notice of Merger and obligation to provide correct, complete and current information:</b></p> <p>I the undersigned, who serves in the position of _____ of the person filing the Notice of Merger, hereby declare as follows:</p> <ol style="list-style-type: none"> <li>1. I have been authorized to submit all required information to the Antitrust Authority in the framework of a Notice of Merger.</li> <li>2. No limitation has been imposed on me in providing complete and accurate information as required in the form of Notice of Merger.</li> <li>3. All of the information contained in the Notice of Merger is correct, complete and current, including the contents of Part G, above.</li> <li>4. The documents annexed to the Notice of Merger are correct and complete and do not lack any material information or exhibit (including transmittal letters and any written or oral understandings).</li> <li>5. I know that the General Director will use the information contained in the Notice and in its exhibits in deciding whether to approve the merger that is the subject of the Notice and I know and understand my obligation to provide correct, complete and current information to the Antitrust Authority.</li> </ol> <p>Date _____ Name of the Company _____</p> <p>Name and Title of Authorized Signatory _____ Company Signature _____</p>

(6 July 2004)  
(303375 23H)

Ehud Olmert  
Minister of Industry, Trade and Labor