



רשות ניירות ערך
ISRAEL SECURITIES AUTHORITY

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE ISRAEL SECURITIES AUTHORITY

AND

THE AUTORITÉ DES MARCHÉS FINANCIERS

CONCERNING THE REGULATORY EQUIVALENCE
WITH REGARDS TO THE CROSS LISTING OF SECURITIES

S H
GRK

Preamble

The parties entered into a memorandum of understanding dated 28 January 2008, concerning the regulatory equivalence with regards to the cross-listing of securities (the "Initial MoU", attached as Annex A).

On 23 March 2011, the European Securities and Markets Authority ("ESMA") published: (i) a public statement entitled "Framework for third country prospectuses under Article 20 of the Prospectus Directive" (the "ESMA Framework", attached as Annex B) and (ii) a public statement entitled "ESMA statement on Israeli laws and regulations on prospectuses" (the "ESMA Statement", attached as Annex C, and together with the ESMA Framework, the "ESMA Public Statements").

Pursuant to the ESMA Statement, ESMA considers that a prospectus drawn up according to Israeli laws and regulations, together with a wrap containing the required information set out in the annex to the ESMA Statement, can constitute a valid prospectus under the Prospectus Directive for the purposes of its approval by the home competent authority of a Member State of the European Union.

The parties wish to enter into a revised memorandum of understanding incorporating the disclosure requirements set forth in the ESMA Statement with regard to an Israeli Company that wishes to submit its Prospectus to the AMF for cross-listing.

Accordingly, the purpose of this memorandum of understanding (the "MoU") is: (i) to state the terms under which the AMF and the ISA agree to consider equivalent each other's regulatory requirements (having due regard to the ESMA Public Statements) applying to the drawing up and approval of the Prospectus to be published when securities are admitted to trading on a regulated market including, as the case may be, following an offer to qualified investors or in connection with an offering to the public; (ii) to establish the principles upon which the MoU will be translated into a final mutual recognition agreement between the Authorities and active cooperation so that companies admitted to trading on either a regulated market in France or on the Tel Aviv Stock Exchange in Israel may be enabled to cross-list their securities on both exchanges; and (iii) to promote mutual recognition of ongoing reporting requirements through further cooperation as described in paragraph 5 below.

This MoU is intended to comply with Article 20 of the Prospectus Directive and the ESMA Public Statements.

S. H.
GRC

This MoU sets out principles of cooperation, consultation and exchange of information in connection with the aforementioned Cross-listing of securities in a manner to be at all times consistent with, and permitted by, the relevant AMF regulations, European Union ("EU") laws and regulations (as interpreted by ESMA) and ISA laws and regulations.

Definitions

Unless otherwise defined herein, capitalised terms used in this MoU will have the following meanings:

"AMF"	The Autorité des Marchés Financiers.
"Authority" or "Authorities"	The AMF and/or the ISA.
"Company"	A French Company or an Israeli Company.
"Cross-listing"	The listing and/or trading of securities both on a regulated market in France and on the TASE.
"Exchange"	A regulated market in France or the TASE.
"Foreign Company"	In respect of the AMF, an Israeli Company and in respect of the ISA, a French Company.
"French Company"	A company incorporated in France.
"Home Authority"	The Authority of the jurisdiction in which the Company is incorporated and which has originally approved the Prospectus for the purpose of admission to trading on the Home Exchange.
"Host Authority"	The Authority in charge of approving the Prospectus of a Foreign Company for the purpose of admission to trading on the Host Exchange.
"Home Exchange"	A French regulated market for a French Company, or the TASE for an Israeli Company.

"Host Exchange"	A French regulated market for an Israeli Company, or the TASE for a French Company.
"Home Notice"	The notice supplied by the Home Authority to the Host Authority confirming that the Home Authority is satisfied that the Prospectus complies with the national law and regulation administered by the Home Authority regarding an admission to trading and with the additional requirements for the Prospectus pursuant to the MoU at the time of the filing of the Prospectus with the Host Authority.
"Implementing Measures"	Commission Regulation (EC) no. 809/2004 of 29 April 2004 as amended by Commission Delegated Regulation (EU) no. 486/2012 of 30 March 2012, by Commission Delegated Regulation (EU) no. 862/2012 of 4 June 2012, and as further amended or supplemented from time to time.
"ISA"	The Israel Securities Authority.
"Israeli Company"	A company incorporated in Israel.
"Prospectus"	A document containing all the information required under national laws and regulations concerning an admission to trading and, as the case may be, under paragraphs 4.3 and 4.7 of this MoU. The Prospectus may be drawn up as a single document or separate documents, as the case may be, provided that these documents together contain the aforementioned information. In this latter case, the Prospectus must include a list of all documents contained therein.
"Prospectus Directive"	Directive 2003/71/EC of 4 November 2003 as amended by Directive 2010/73/EU of 24 November 2010, and its Implementing Measures.
"TASE"	The Tel Aviv Stock Exchange Ltd.

"Wrap"

The additional document to the Prospectus of an Israeli Company which contains all the elements of information set forth under the ESMA Public Statements.

1. Declaration of Validity and Declaration of Equivalence

- 1.1 The AMF hereby declares and confirms that it has considered ESMA's assessment of the Israeli prospectus standards vis-à-vis EU standards and the requirements of Israeli laws and regulations on prospectuses, as well as the ESMA Statement pursuant to which (subject to any additional items that may be required pursuant to paragraphs 4.3 and 4.7 below) a Prospectus drawn up according to Israeli laws and regulations together with a Wrap can constitute a valid Prospectus under the Prospectus Directive for the purposes of its approval by the home competent authority of a Member State of the European Union.

Notwithstanding the above provisions of this paragraph 1.1 and any other provision of this MoU including, without limitation, paragraphs 4.3, 4.7, 6.3 and 7.3 below:

- 1.1.1 For the purpose of its national approval procedure and as a condition to its acceptance of a filing by an Israeli Company, the AMF shall be entitled to conduct a review of the information contained in the Wrap and Prospectus of the Israeli Company and, as the case may be, require any additional or modified disclosure relating to such information if the AMF determines that such additional or modified disclosure has become necessary on the basis of EU laws and regulations as applicable at the date of submission by the Israeli Company to the AMF of the Wrap and Prospectus; and
- 1.1.2 Any additional or modified requirement determined by ESMA after the date on which this MoU enters into force shall be automatically incorporated as an additional or modified requirement under this MoU and this MoU shall be deemed to have been amended accordingly.

- 1.2 The ISA hereby declares and confirms that for the purpose of entering into the Initial MoU, it had examined French law and regulation relating to the publication of Prospectuses and it concluded (subject to any additional items that may be required pursuant to paragraph 4.5 below) that the said French law and regulation was equivalent to the parallel regulation administered by the ISA and satisfied the regulatory requirements of Israeli law. The ISA intends to conduct a complimentary examination of the applicable regulatory framework for establishing a final mutual recognition agreement between the AMF and the ISA.
- 1.3 This MoU is intended to complement, but does not alter, the terms of the existing bilateral and multilateral arrangements to which the AMF and the ISA are both parties, concerning cooperation in supervisory or enforcement matters and which are listed in Annex D.

2. Scope of Arrangement

- 2.1 When seeking admission to trading on the Host Exchange, a Company shall be entitled to benefit from the procedures described in this MoU, if it complies with all of the following conditions:
- 2.1.1 it is a French Company or an Israeli Company; and
- 2.1.2 the Prospectus has first received an initial approval from the Home Authority; and
- 2.1.3 it has applied for admission to trading or is already admitted to trading, in the case of a French Company on a French regulated market or, in the case of an Israeli Company, on the TASE.
- 2.2 De-listing from either the regulated market in France or the TASE will disqualify the Company from continuing to benefit from the conditions outlined in this MoU.
- 2.3 The equivalence examination by the ISA in accordance with paragraph 1.2 above does not extend to laws and/or regulations enacted by a third country, notwithstanding the fact that the AMF may have recognised such third country's regulations as equivalent to its own regulations.

3. Implementation

- 3.1 The arrangement described in this MoU will be applicable solely to equity securities as such term is defined in the Prospectus Directive (with the exclusion of convertible debt). It is the intention of the Authorities to introduce different types of securities that may benefit from the arrangement set out in this MoU in the future. Such further implementation shall be carried out in stages, based on consultation between the Authorities.
- 3.2 The Authorities intend to review periodically the functioning and effectiveness of the arrangement described in this MoU with a view to expanding or altering the scope or operation of this MoU, should that be judged desirable.

4. Prospectuses

- 4.1 Any Company wishing to simultaneously cross-list its securities pursuant to the arrangement described in this MoU, shall first submit its Prospectus to its Home Authority for approval. The Company shall inform the Home Authority of its intention to seek a Cross-listing pursuant to this MoU and request the Home Authority to issue a Home Notice to the Host Authority.
- 4.2 4.2.1 Where a Company is already admitted to trading on the Home Exchange and thereafter intends to seek admission to trading on the Host Exchange, then notwithstanding the provisions of the ESMA Public Statements, the Company shall submit the Prospectus to the Home Authority and request the Home Authority to issue a Home Notice to the Host Authority.
- 4.2.2 In the circumstances described in paragraph 4.2.1 above, the Prospectus may consist of the prospectus published in connection with the securities for which the Company seeks admission to trading together with all subsequent information published concerning the Company and these securities as long as the Prospectus meets all necessary requirements, pursuant to the national laws and regulations concerning an admission to trading and to paragraphs 4.3 and 4.7 of this MoU with regards to Israeli Companies or to paragraphs 4.5 and 4.7 of this MoU with regards to French Companies.

- 4.3. When an Israeli Company submits a Prospectus to the ISA for an approval and informs the ISA of its intention to subsequently submit its Prospectus to the AMF for Cross-listing under paragraphs 4.1 or 4.2 of this MoU, the ISA shall also enforce the inclusion of additional disclosure requirements listed in the ESMA Public Statements (which are to be included in the Wrap) and shall make the granting of a Home Notice in relation to the Prospectus conditional upon compliance therewith.
- 4.4 Before delivering a Home Notice, the ISA shall verify that the Wrap contains all the elements of information listed in the ESMA Public Statements. The ISA shall not be responsible for verifying the accuracy of the information contained in the Wrap.
- 4.5 When a French Company submits a request to the AMF for an approval of the Prospectus and informs the AMF of its intention to subsequently submit its Prospectus to the ISA for Cross-listing, the AMF shall also enforce any additional disclosure requirements that the ISA may raise by way of amendment of this MoU pursuant to paragraphs 6.3 and 7.3 and the AMF shall make the granting of a Home Notice in relation to the Prospectus conditional upon compliance with such requirements.
- 4.6 A Home Notice shall be valid for a period of 15 trading days after its issuance by the Home Authority. If within this period of time, the Home Authority is aware of any material events affecting the Company, it must inform the Host Authority as soon as possible and the Prospectus must be amended accordingly.

A Company shall submit its Prospectus for approval to the Host Authority in accordance with the Host Authority procedures after the Home Authority has issued the Home Notice.

The provisions of this MoU shall not differ from the general listing regulations applicable to a regulated market in France or the TASE, and any Company seeking to cross-list its shares in accordance with this MoU shall comply with such listing regulations.

The application must be accompanied by the written confirmation from the Company that the Prospectus has been drawn up in accordance with its national law.

- 4.7 Provided that the Host Authority has received the Home Notice, the Host Authority shall automatically accept the filing of the Prospectus for the purpose of its national approval procedure, subject to any linguistic or specific requirements due to the Host Authority's regulation when an offer is made to the public in the jurisdiction of the Host Authority and, in the case of an Israeli Company, subject to the provisions of paragraph 1.1 above and provided further that the Wrap is complete.
- 4.8 All Prospectuses shall be filed with the Home Authority according to its rules in a language accepted by the Home Authority.
- 4.9 If a Prospectus is submitted to the Home Authority in any language other than English, the Company will be required to furnish an English translation by a certified translator to the Host Authority accompanied by a certification from the translator concerning the accuracy of the translation and the translator's consent to having the translation and the certification included in the Prospectus. In any case, the AMF may require a translation in French of the summary contained into the Wrap.
- 4.10 The Home Authority shall be responsible for ensuring that, in addition to the Prospectus, all information relating to an offer or an admission to trading, including additional information with regards to the issuer and the securities laws and regulations for which the Home Authority is responsible, shall be easily accessible and available to the Host Authority and to investors in English.

5. Reporting

This MoU covers issues relating to the validity or equivalence of prospectuses only. The AMF and the ISA agree that in order to ensure that the arrangement for Cross-listing is applied in an effective way, they intend to continue cooperation on ascertaining the equivalence of those reporting requirements listed in Article 23 of the Transparency Directive (2004/109/EC). The purpose of such cooperation is the completion of a third agreement or an addendum to this MoU, setting out the arrangement agreed in relation to recognition of such reporting requirements.

6. Ongoing Consultation and Cooperation

- 6.1 The Authorities shall cooperate, render mutual assistance and exchange information with each other whenever necessary for the purpose of carrying out their duties, facilitating and supervising Cross-listings and successfully implementing and maintaining the arrangements described in this MoU.
- 6.2 Each Authority shall nominate members to represent it on a standing joint committee (the "Joint Committee") which will coordinate the ongoing activities and liaison resulting from implementation of the arrangement set out in this MoU. The persons so nominated are listed in Annex E.
- 6.3 The activities of the Joint Committee shall include:
- 6.3.1 Acting as the main contact point for communications between the Authorities relating to this MoU and the activity set out herein; and
 - 6.3.2 Ongoing discussion of issues arising from the implementation of this MoU; and
 - 6.3.3 Planning amendments to this MoU, expansion of scope and future stages of implementation.
- 6.4 The Joint Committee shall endeavor to meet (in person or by teleconference or by videoconference) at least annually to identify and discuss issues of regulatory concern to either or both Authorities.
- 6.5 Each Authority will inform the other of material changes in its regulation relating to the matters set out in this MoU.
- 6.6 Reference is made to the existing Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information between the AMF and ISA dated 7 April 2006 as well as to the IOSCO Multilateral MOU in that respect. Both Authorities confirm that the said memoranda shall apply to matters set out in this MoU.

7. Other matters

7.1 Legal Status

The provisions of this MoU are not intended to create legally binding obligations or to supersede domestic laws or regulations.

The Authorities affirm their shared belief in the importance of local regulation of local markets. Accordingly, this MoU supports the ability of the ISA and the AMF to promulgate new, or maintain existing, regulatory requirements necessary for the regulation and oversight of the markets and issuers active in their respective jurisdictions, in accordance with their respective laws and requirements.

7.2 Confidentiality

Any non-public information shared between the Authorities is to be used solely for the discharge of their legal obligations and for the purpose for which it was requested and shall be deemed confidential. Communication to third parties outside the Authority of any such information shall require the prior written approval on a case by case basis of the Authority with whom the information has been originated, consistent with domestic laws in the jurisdiction of the Authority receiving the information.

7.3 Entry into force and Amendments

This MoU shall enter into force at the date of the Diplomatic Note by which the ISA notifies of the completion of the internal legal procedures required for the entry into force of the MoU in Israel and shall stay in force until its Termination Date.

Upon the entry into force of this MoU, it shall replace and supersede the Initial MoU.

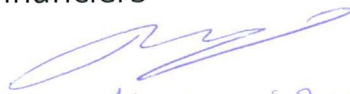
The parties may amend this MoU, in writing, by mutual consent. Subject to the provisions of paragraph 1.1 above, any such amendment shall enter into force in accordance with the procedure set forth for the entry into force of this MoU.

7.4 Termination


The terms and conditions of this MoU will continue to apply until the expiration of 90 calendar days from the day either the ISA or the AMF gives notice in writing to the other Authority of its intention to terminate it ("Termination Date").

In witness whereof:

Mr. Gérard Rameix
Chairman
Autorité des Marchés
Financiers


Date: 14 janvier 2013

Prof. Shmuel Hauser
Chairman
Israel Securities Authority


Date: 14-jan-13

ANNEX A

Memorandum of Understanding between the Autorité des marchés financiers and the Israel Securities Authority dated 28 January 2008, concerning the regulatory equivalence with regards to the cross-listing of securities.

ANNEX B

Framework Statement.

SH
GAC

ANNEX C

ESMA Statement.

ANNEX D

Existing arrangements (Paragraph 1.3 of the MoU)

IOSCO Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange Of Information, May 2002.

Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information between the AMF and the ISA, 7 April 2006.

ANNEX E

Members of the Joint Committee (Paragraph 6.2 of the MoU).

For the AMF:

Name	Position	Telephone	Email
Ms. Françoise Buisson	Head of International and European Affairs Division	+33.1.53.45.63.56	f.buisson@amf-france.org
Ms. Marine Corrieras	Head of division Corporate Finance Division	+33.1.53.45.62.70	m.corrieras@amf-france.org

For the ISA:

Name	Position	Telephone	Email
Ms. Ornit Kravitz	Head of International Affairs Department	+972.3. 7109.879	ornitk@isa.gov.il
Ms. Hadas Yonas	International Affairs Department	+972.3. 7109.811	hadasy@isa.gov.il