

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

**Israel Corporation Ltd.**

Registrar Number: 520028010

**Form 121  
Public**

Securities of the Corporation are listed in the Tel Aviv Stock Exchange

Short name: Israel Corporation

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To:

The Securities Authority

[www.isa.gov.il](http://www.isa.gov.il)

To:

The Tel Aviv Stock Exchange

[www.tase.co.il](http://www.tase.co.il)

**Immediate Report**

The Event: ICL - Petition for Approval of Filing a Derivative Action

Attached is an immediate report of Israel Chemicals Ltd.

The date when the event first became known to the corporation: July 12, 2016

Time: 12:20

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 and Company Secretary

Date of signing: July 12, 2016



July 12, 2016

Petition for Approval of Filing a Derivative Action

The Company hereby reports that on July 11, 2016, it received a petition submitted by shareholders, pursuant to Section 197 of the Israeli Companies Law, 5759-1999 (the "**Petition**"), to the Economic Division of the Tel-Aviv District Court.

The petitioners allege that the annual bonuses granted to the top-five highest paid senior officers of the Company, including the CEO, for the years 2014 and 2015 were granted unlawfully and in a manner not conforming to the Company's Compensation Policy, this for an estimated amount of ILS 18 million. The Petition was submitted against the top-five highest paid senior officers of the Company and alternatively, against the members of the Compensation Committee who approved the grant of the aforementioned bonuses. According to the Petition, the Company is requested to compel the top-five highest paid senior officers to return all the bonuses, and should they fail to comply with this request, file a claim against the aforementioned members of the Compensation Committee.

The Company strongly rejects the petition and shall submit its response to the Court according to the law.

It should be noted that the Chairman of the Company's Board of Directors has received an application according to Section 194(b) of the Israeli Companies Law, on a similar matter. The application has not yet been brought for the Board of Directors for review and discussion.

Name of the authorized signatory on the report and name of authorized electronic reporter: Lisa Haimovitz  
Position: SVP, Global General Counsel and Company Secretary  
Signature Date: July 12, 2016