



**Bezeq – The Israel Telecommunication Corp. Ltd.  
("Company")**

October 15, 2020

The Israel Securities Authority

The Tel Aviv Stock Exchange

**Immediate Supplementary Report – Decision Regarding Removal of Barriers to Encourage  
the Deployment of Broadband Infrastructure**

Further to the Company's immediate report of March 4, 2020 on a "Hearing concerning the licensing of new operators to provide Internet access infrastructure services," and further to the description of the matter in section 2.6.3 of the Company's periodic report for 2019 and the update to that section in the Company's quarterly report for the period ended June 30, 2020, an immediate supplementary report is hereby submitted.

On October 13, 2020, the Minister of Communications issued a decision in the hearing ("**Decision**"), to which were attached the document of recommendations on the matter pursuant to the hearing, updated policy documents on Internet service licensing and terrestrial transmission licensing, as well as a draft document titled "Special License for the Provision of Broadband Infrastructure Services."

The Decision significantly reduces the threshold requirements for receiving a license to provide broadband infrastructure services. The reduction, which is to be temporary, will be implemented by offering the possibility of receiving a special license (for 36 months from the date of the Decision) instead of a single license. The special license will be granted subject to the conditions set out in the Decision, among them that the service under the special license may be provided to no more than 8,000 private subscribers and no more than 800 network endpoints of business subscribers.

The Company is studying the Decision's documents. However, on the face of it, it appears to the Company that under certain circumstances the minister's decision may adversely affect its business to an extent that the Company is unable to estimate at the present time.

Below is the link to the Decision and the abovementioned documents on the Ministry of Communications website:

<https://www.gov.il/he/departments/policies/14102020>

Sincerely,

Bezeq – The Israel Telecommunication Corp. Ltd.

*The above information constitutes a translation of the Immediate Report published by the Company. The Hebrew version was submitted by the Company to the relevant authorities pursuant to Israeli law, and represents the binding version and the only one having legal effect. This translation was prepared for convenience purposes only.*