

Main Qualification Conditions for TASE Membership

	Bank: a registered company	Bank: not a registered company	Foreign bank	NBCM :a registered company	NBCM: not a registered company	Nostro NBCM: a registered company	Nostro NBCM: not a registered company	Remote member
Minimum equity, initial equity, and net unencumbered liquid assets				+	+	+ Not required net unencumbered liquid assets	+ Not required net unencumbered liquid assets	+
Approval from TASE's Board of Directors for a transfer of control and/or transfer of shares and/or transfer of other rights in shares of a TASE member				+ Approval is only required for a transfer of control	+	+ Approval is only required for a transfer of control	+	
Controlling shareholders of / interested parties in / and senior managers of a TASE member are of good repute, have not been convicted of an offence involving moral turpitude and have not been legally declared undischarged bankrupts				+ The requirement does not apply to interested parties	+	+ The requirement does not apply to interested parties	+	
Controlling shareholders of / interested parties in / and senior managers of a TASE member have not been interested parties in a corporation that had been liquidated without paying its debts;				+ In certain cases, TASE's Board of Directors may give an exemption from this requirement	+ In certain cases, TASE's Board of Directors may give an exemption from this requirement	+ In certain cases, TASE's Board of Directors may give an exemption from this requirement	+ In certain cases, TASE's Board of Directors may give an exemption from this requirement	

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Duty to notify TASE of the identity of the true holders of a TASE member's shares, and obligation to give notice of any change in the shareholdings		+			+	In the case of a shareholder which is a listed company, the notice shall only refer to the interested parties in the listed company	+	In the case of a shareholder which is a listed company, the notice shall only refer to the interested parties in the listed company
The majority of the directors are Israeli residents with capital market know-how				+	+	At least one director shall be an Israeli resident and at least one shall have capital market know-how	+	At least one director shall be an Israeli resident and at least one shall have capital market know-how
Board of directors' composition: the board of directors shall have a chair; it shall have at least three directors; and at least one of the directors shall be an external director					+	As provided in the Companies Law with regard to the board of directors of a private company which is not a bond company	+	As provided in the Companies Law with regard to the board of directors of a private company which is not a bond company

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The CEO and the manager of the central securities unit have training and know-how in the capital market.	+	+	+	+	+	+	+	
	The requirement only relates to the manager of the central securities unit	The requirement only relates to the manager of the central securities unit	The requirement only relates to the manager of the central securities unit in Israel			The requirement only relates to the CEO and to the nostro activity manager	The requirement only relates to the CEO and to the nostro activity manager	
Duly insured	+	+	+	+	+			+
The existence of a mechanism, means, computer and communication systems, and professional personnel, enabling functional activity on TASE and performance of the TASE member's duties to its customers, TASE, and the other TASE members			+	+	+	+	+	+
Duty to notify TASE of the appointment or retirement of senior managers	+	+	+	+	+	+	+	+
	The requirement only relates to the manager of the central securities unit	The requirement only relates to the manager of the central securities unit	The requirement only relates to the manager of the central securities unit in Israel					The requirement relates to the manager responsible for the activity on TASE
Audit committee, of which at least one external director is a member, and duty to give notice of any change in the audit committee's composition					+			

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Stipulation of certain provisions in the TASE member's articles of association				+	+			
Appointment of compliance officer				+	+	+	+	
Appointment of risk controller				+	+	+	+	
Appointment of credit controller				+	+			
Appointment of Information Technology (IT) manager				+	+	+	+	
Notice of appointment or retirement of compliance officer, risk controller, credit controller and Information Technology (IT) manager				+	+	+	+	
Duty to give notice of appointment or retirement of auditor					+	+	+	
Appointment of internal auditor			+ For activity of the branches in Israel		+	+	+	
Duty to give notice of appointment or retirement of internal auditor					+	+	+	
Duty to furnish reasoned resignation letter of external director					+			

*Additional main qualification conditions applicable to a remote member:

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1. A company that was incorporated outside Israel in one of the countries detailed in the Regulations pursuant to the Rules (EU countries, United States, England, Switzerland, Norway, Canada, Australia and Japan), that does not have a permanent representation or branch in Israel and that operates as a stock exchange member on a stock exchange in the country in which it was incorporated.
2. It has been a member for at least three years on one of the stock exchanges detailed in the Regulations pursuant to the Rules: LSE (London), EURONEXT, NYSE, NASDAQ, CME (Chicago), CBOE (Chicago), ICE, TSX (Toronto), ASX (Australia), DEUTSCHE BORSE, EUREX (Germany), SIX (Switzerland), TSE (Tokyo), SGX (Singapore), HKEX (Hong Kong).
3. It is supervised by the competent authority that supervises the securities activity in its country of incorporation and by the competent authorities as aforesaid in other countries in which it operates in securities and from which it is applying to operate on TASE (each of the aforesaid authorities is hereinafter referred to as "**the competent authority**").
4. The competent authority in its country of incorporation and the competent authority in at least one of the countries in which it has acted as a stock exchange member for at least three years has a cooperation agreement with the Israel Securities Authority.
5. It operates on TASE only from those countries in which the competent authority has a cooperation agreement with the Israel Securities Authority.
6. It has written approval from the competent authority in its country of incorporation and from the competent authority in countries in which it intends acting on TASE, to the effect that it is supervised by them, and that they have no objection to its being a remote member of TASE.
7. A remote member's equity shall not be less than the equity required of it in the country in which it was incorporated, or in countries in which it operates as a stock exchange member and from which it is applying to operate on the Tel Aviv Stock Exchange, or than the equity required of an NBCM, whichever is higher.
8. It has appointed a person in Israel who is authorized to accept court documents and notices on its behalf, and has undertaken to notify TASE of any change in this person's details.
9. Duty to file periodic and immediate reports.