

## **Rules for the Prevention of Conflicts of Interests by Ministers and Deputy Ministers**

(Based on the Report of the Commission headed by Justice Asher)

The following text is a new version based on previous decisions of the Government and the Government Decision No. 2801 (TM/ 61) from November 28, 2002, in which the rules were amended. The following text (the full text of the rules, including said amendment) was published at the Official Gazette 5763, pp. 1136-1139, from January 16, 2003.

### **Chapter A: General**

#### **1. Definitions**

In these rules –

- (1) "Family Member" - a spouse, a minor child, or any relative whose livelihood is the Minister;
- (2) "Body of Persons" - A body of two or more persons, whether incorporated or not incorporated, a company, cooperative, partnership, Ottoman society, association and any other body established by law;
- (3) "Funds" - deposits of various types, in an amount exceeding the Threshold Amount, in Israeli currency, foreign currency or bonds issued under the Treasury Bills Law, 5744-1984<sup>1</sup>, in any type of investment, excluding savings plans, education funds and provident funds;
- (4) "Threshold Amount" - NIS 200,000, this amount will be linked to the Consumer Price Index (hereinafter - CPI) and will be adjusted on February 1<sup>st</sup> of each year (hereinafter – Adjustment Day) by the rate of increase in the CPI last published prior to the Adjustment Day compared with the CPI last published prior to the previous Adjustment Day. Government's Secretary will publish said adjusted amount in the Official Gazette.
- (5) "Securities" - certificates issued in series by a corporation and granting rights of membership, participation or claim in it, whether registered or bearer securities, including securities issued by the state, options and futures contracts as defined in the Joint Investment Trust Law 5754-1994<sup>2</sup>.
- (6) "Personal Interest" - including Personal Interest by a relative of the Minister;
- (7) "Business" - including occupation, profession, trade, craft, agriculture or industry
- (8) "Relative" –
  - a) Spouse, parent, parents' parent, brother, sister, descendants and descendants of the spouse, the spouse of any of these, descendant of a brother or sister, and brother or sister of a parent;
  - b) Any other person that the Minister has personal interest in their personal economic situation.

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<sup>1</sup> The Book of Laws 5744, p. 69

<sup>2</sup> The Book of Laws 5754, p. 308

(9) "Control" - any right of a person, alone or together with a Relative, in at least 10% of the offered share capital, or to at least 10% of the voting rights, or the right to receive at least 10% of the profits or the right to appoint a director, of any Body of Persons;

(10) "Minister" - including the Prime Minister and Deputy Minister.

**2. Keeping the laws.**

These rules apply in addition to the provisions of any law.

**3. Impartiality in performing duties**

A Minister shall perform his duties impartially, with fair manners to all, and shall have no personal interest in the decisions or actions, even in appearances only.

**4. Duty to prevent conflict of interest**

The Minister is obliged to conduct his affairs in a manner that will not create and will not have a conflict of interest between his duties as Minister and his personal affairs.

**5. Exclusiveness of tenure and prohibition of other engagement**

(1) The Minister will devote all his time and energy to carry out his duties as Minister;

(2) The Minister shall not engage in any business, and he shall not hold any office other than the Minister office; this provision shall not apply to political activity and political Party activity that is done without consideration.

(3) The Minister shall not engage, for a consideration, in giving speeches or lectures, writing articles or literary activity, unless approved by the Permits' Committee stated in chapter D.

**Chapter B: Special Instructions**

**6. special provisions**

Without prejudice to the general provisions of the chapter A, the following provisions shall apply to the Minister during his tenure:

(1) Prohibition of tenure in a body aimed at obtaining profits;

The Minister shall not engage in any business and shall not hold office, be a member of the management or any other institution of a Body of Persons that is engaged in any activity aimed at obtaining profits;

(2) Prohibition of tenure in other body:

Minister shall not hold office, be a member of the management or any other institution of a Body of Persons that receive funding from the State's treasury, either directly or indirectly, or that receive donations, except for an office as a member of the board of the party;

(3) Prohibition of receiving salary and other income:

a) The Minister shall not receive a salary or benefit, other than wages paid by him to the State;

b) The Minister shall not receive any income from a business or from any Body of Persons

- c) The provisions of this paragraph shall not apply to –
- (1) Income from property and investments;
  - (2) Royalty income or other receipts of pension funds, royalties funds and insurance policies and other similar payments;
  - (3) Proceeds arising from the sale of rights in a business or from the sale of shares in a Body of Persons, in which the Minister participated prior to being a Minister, provided that these receipts are not measured and are not dependent on the income of the business or the Body on Persons after the sale of rights or shares;
- (4) Prohibition on use of Information:  
The Minister shall not make a transaction, whether directly or indirectly, using prior knowledge, a secret knowledge or any other knowledge that he possess or that he can be assumed to possess, and is not a common knowledge;
- (5) The Minister shall not hold funds or securities, unless through "Blind Trust" as stated in Section 16;
- (6) Prohibition on purchase of state assets:  
Minister shall not purchase nor receive state assets, either directly or indirectly, other than the purchase or receipt of assets sold or provided to the public pursuant to general and predefined principles, where the public has an equal opportunity to purchase or receive.

## **7. Arrangements to prevent conflict of interest**

- (1) In any event where the Minister has a personal interest in actions or decisions, that may influence the granting of a benefit or right, he is prohibited from participating in any way in the action or decision making; where said matter was brought before the Minister as a member of the Government, a member of a Committee of Ministers or in any other way , the Minister must immediately declare his personal interest; the declaration of the Minister of personal interest shall be sent to the State Comptroller.
- (2) Where the Minister is in a conflict of interests –
  - a) Regarding powers given to him under legislation, one of the following ways may be act upon, after receiving the opinion of the Attorney General:
    - (1) Transfer the powers of the action or decision of the Minister to another Minister from the Ministers of the Government under section 31 (b) of the Basic Law: The Government<sup>3</sup>.
    - (2) Where the conflict of interest is temporary and not constant, to determine that the Prime Minister, or other Minister, will fill the position under section 24 (b) of the Basic Law: The Government.

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<sup>3</sup> The Book of Laws 5761, p. 158

- b) Regarding other powers, where there is a need for a decision in a Ministerial level - one of the following ways may be act upon, after receiving the opinion of the Attorney General:
  - (1) Appoint a Ministerial Committee to exercise the power, and the Minister shall not participate in the hearing and decision by the Ministerial Committee concerning that matter;
  - (2) Other Minister, as determined by the Government, shall exercise the power;
  - (3) Where the conflict of interest extends to the entire field of operation – transfer the field of operation to another Ministry pursuant to Section 31 (d) of the Basic Law: The Government.
- c) Notwithstanding subsection (b) (1) and (2), if due to the nature of the personal interest and the other circumstances of the case, it seems that there is no concern for a real conflict of interests, after receiving the opinion of the Attorney General, it's sufficient that the Minister shall share the decision or action with another Minister that shall be appointed by the Government. In case of disagreement between the two Ministers, the issue shall be submitted to the decision of the Government or Ministerial Committee, and the Minister shall act according to such decision.

#### **8. Personal Interest that effect the Minister's performance of duties**

Where the State Comptroller finds that the Minister had declared a personal interest and refrained from taking part in decision-making, as stated in Section 7, to the extent that it effect his proper functioning, the Comptroller shall act in the manner prescribed for cases of deviation from these rules, as described in Section 11.

#### **9. Reporting to the State Comptroller**

- (1) Minister who have received payment for the activities stated in section 5 (c) shall report to the State Comptroller about the payment's details within a month of their receipt.
- (2) Minister that funds have been withdrawn from his savings deposit or his provident fund, shall notify about it to the State Comptroller within a month of the withdrawal.

#### **10. Annual Statement**

Within 60 days of the end of each year of the Minister's tenure, and within 60 days after the end of the Minister's tenure, the Minister shall submit to the State Comptroller a statement containing the following details:

- (1) Capital, assets, rights and liabilities of the Minister and his family at the end of the year or at the end of the tenure;
- (2) Sources of income of the Minister and his family at that year or at that period and amounts of income from each source;

The statement shall be according to a form to be prescribed by the State Comptroller.

#### **11. Actions of the State Comptroller**

- (1) The State Comptroller shall review compliance with these provisions and rules by the Ministers, and shall have all the powers conferred upon the State Comptroller at the State Comptroller Law, 5718-1958 [Consolidated Version]<sup>4</sup> (hereinafter – the State Comptroller Law).
- (2) Unless otherwise expressly stated in these rules, the State Comptroller will keep the confidentiality of the Ministers' statements and shall not reveal any detail without accepting the consent of the Minister concerned.
- (3) The State Comptroller may inform the Prime Minister that he is investigating if a Minister acts according to these rules and to provide relevant information to the Prime Minister.
- (4) The State Comptroller may, if the circumstances of the case justify it in his opinion, report on deviation from these rules to a subcommittee that will be elected by the Knesset Committee for State Audit Affairs, and to bring his findings to its attention.
- (5) Where the State Comptroller found that there is a concern for criminal offence – he shall refer the matter to the Attorney General.

### **Chapter C: Duties of the Minister upon Assuming the Office**

#### **12. Resignation and termination of engagement.**

Immediately after the commencement of his term as a Minister and not later than 30 days afterward, the Minister shall resign from any job, position or office, and he shall stop any practice or engagement that are not in accordance with these rules.

#### **13. Selling a business and shares at the commencement of service.**

Minister who has rights in business or who is an owner of shares granting him control over a Body of Persons, shall act within 60 days of assuming office as Minister in one of the following ways to avoid a conflict of interest:

- (1) Sell the rights in the business or the shares in the Body of Persons to a person who is not a Relative and not a member of the Body of Persons under his control;
- (2) Where a Relative of the Minister worked with him at the business or at the Body of Persons at least one year before the appointment as Minister, the Minister may sell or transfer all his rights in the business or all the shares to that person, provided that the Relative is not his spouse or minor child;
- (3) Lease the business to a person who is not his Relative and who is not a member of the Body of Persons under his control, for a lease fees that will be predetermined for the entire term of office of the Minister, provided that the lease payments are not dependent on income from the business.

#### **14. State Comptroller's audit**

- (1) In addition to the Minister's duties under these rules, the Minister must make the business or the Body of Persons which is not an audited body, available to the audit of the State

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<sup>4</sup> The Book of Laws 5714, p. 92

Comptroller by signing an agreement with the government under section 9 (6) of the State Comptroller Law, in these cases:

- a) If rights in the business or shares conferring control in a Body of Persons are transferred to a Relative as provided in section 13 (2);
  - b) If rights in the business or shares conferring control in a Body of Persons were transferred to a Relative of the Minister within three years prior to his appointment to Minister;
  - c) If the Minister leased as provided in section 13 (3).
- (2) While performing the audit, the State Comptroller shall use the powers vested on him by the State Comptroller law; the State Comptroller shall exercise his powers in regard of the business or Body of Persons to check if it was conducted with integrity and if the kinship and the connection to the Minister have been misused.

#### **15. Selling while keeping the rights**

Minister that upon assuming the office sold rights in a business or control shares in a Body of Persons, is allowed to retain the right to repurchase the rights or the shares at the end of his tenure, provided that the repurchase shall be at the full price of all the rights or shares at the time of the repurchase.

#### **16. Transfer of Securities to Trust**

- (1) Within 60 days of his appointment, the Minister shall transfer the funds and securities in his ownership and in his family's ownership to an independent public trust company that shall keep and manage them in a "Blind Trust."
- (2) The Minister and his family shall not provide the trust company with any instructions in regard of which securities to hold and which securities to buy or sell, except of a one time instruction, prior to the beginning of the service, of the kinds of investment to be included in the portfolio and of the maximum rate of each type in relation with the value of the portfolio, or instruction that these will be determined at the discretion of the Trust Company.
- (3) The Trust Company shall not provide the Minister and his family, as long as the Minister serves in the office, with any information on the transactions that were made with the securities; the only information to be provided shall be the total value of all securities, the realized profits and the tax paid for those profits.
- (4) The deed of trust between the Minister and the Trust Company shall be submitted to the Attorney General.
- (5) The provisions of this section shall not apply to shares that must be transferred under section 13.

#### **17. Declaration of capital, assets and rights upon commencement of service**

Within 60 days from the commencement of service, the Minister shall declare to the State Comptroller, in a detailed report and according to a form to be determined by the Comptroller, on these matters:

- (1) Capital, assets, rights and liabilities of the Minister and his family on the day of assuming the office;
- (2) The sources and amounts of income of the Minister and his family in the year preceding his appointment as Minister;
- (3) Full details of the assets transferred under section 13 (1) and (2), stating the name of the purchaser or transferee and its proximity to the Minister;
- (4) Full details of a business that the Minister leased under section 13 (3), and the terms of the lease, with attachment of the the agreement conferring the right to repurchase;
- (5) The rights and shares for which the right to repurchase had remained under Section 15, with attachment of the agreement conferring the right to repurchase;
- (6) A list of the securities transferred to the trust company under section 16, and a copy of the Deed of Trust;
- (7) A detailed list of all the positions, the jobs, and the offices that the Minister held before his appointment, and from which he resigned under these rules, and a list of positions, jobs, and offices that the Minister continues to hold after his appointment

#### **Chapter D: Permits' Committee**

##### **18. Appointment of the Committee**

- (1) The State Comptroller shall appoint a committee of three members headed by a judge or a retired judge (hereinafter - the Committee).
- (2) The Committee shall be appointed for two years.
- (3) Notice of the appointment of the Committee shall be published in the Official Gazette.
- (4) Where a position of a Committee member becomes vacant or a Committee member is unable to fulfill his duties, the State Comptroller may appoint another member in his place or a substitute, at his discretion.

##### **19. The powers of the Committee**

- (1) The Committee is authorized to consider the application for an individual permit for non-compliance of these rules.
- (2) The Committee may refuse to grant the permit, grant it or grant it subject to conditions, if it seemed justified under the circumstances and proper from a public perspective.
- (3) The validity of the permit shall not exceed the duration of the term of the Government.

##### **20. Application for Permit**

Contacting the Committee with application for permit may be done by the Minister concerned or by a candidate for a Minister position.

##### **21. The committee's decision**

- (1) The Committee shall hear, before issuing its decision, the opinion of the State Comptroller for the preceding case.
- (2) The Committee's decision shall be final.
- (3) A copy of the Committee's decision shall be sent to the State Comptroller.
- (4) The Commission's decision shall not derogate from the State Comptroller's authority under the State Comptroller Law, and any other legislation.

## **22. Cancellation of permit**

- (1) Where the State Comptroller find that the circumstances in which the permit was given have significantly changed, he will bring the matter to the attention of the Committee.
- (2) Where the Committee received such notice, it may, if in its opinion the circumstances justify it, cancel or change the permission given, and the Committee shall inform the State Comptroller and the Minister concerned.

## **23. Fees and Expenses**

- (1) Members of the Committee shall receive reimbursement from the State Treasury as prescribed by the State Comptroller.
- (2) Committee members who do not receive a salary from the State Treasury shall receive fees from the State Treasury for their participation in the meetings of the Committee as determined by the State Comptroller.

## **Chapter E: Miscellaneousness**

### **24. Extension of dates**

The State Comptroller may extend the time prescribed in these rules for special reasons.

(HM 3-1238)



## **Rules for the Prevention of Conflicts of Interests by Ministers and Deputy Ministers**

### **General review on the activities of the Permits' Committee**

#### **Background**

In 1977, the Government decided to adopt a list of ethics rules under the framework of rules for the prevention of conflicts of interests by Ministers and Deputy Ministers (hereinafter - the Rules), based on the report of a public committee headed by Judge Shlomo Asher. The rules outline some conduct guidelines to Ministers and deputy Ministers in the performance of their duties, and primly, the duty to perform their duties impartially, the duty to avoid conflicts of interest, the exclusiveness of the tenure and the prohibition of other engagement. Additional provisions are concerning limitations on the ownership and the control of assets and management of financial affairs of the Ministers and their families, and having the Ministers audited by the State Comptroller regarding fulfilling the provisions and the rules. Over the years, the rules were amended and updated several times.

#### **Content of the Rules**

Section A of the Rules includes, inter alia, these definitions:

"Family member" - a spouse, a minor child, or any relative whose livelihood is the Minister;

"Funds" - deposits of various types, in an amount exceeding the Threshold Amount, in Israeli currency, foreign currency or bonds issued under the Treasury Bills Law, 5744-1984, in any type of investment, excluding savings plans, education funds and provident funds;

"Threshold Amount" - NIS 200,000.

"Securities" - certificates issued in series by a corporation and granting rights of membership, participation or claim in it, whether registered or bearer securities, including securities issued by the state, options and futures contracts as defined in the Joint Investment Trust Law 5754- 1994.

"Business" - including occupation, profession, trade, craft, agriculture or industry

"Relative" – (a) Spouse, parent, parents' parent, brother, sister, descendants and descendants of the spouse, the spouse of any of these, descendant of a brother or sister, and brother or sister of a parent; and (b) any other person that the Minister has personal interest in their personal economic situation.

"Control" - any right of a person, alone or together with a Relative, in at least 10% of the offered share capital, or to at least 10% of the voting rights, or the right to receive at least 10% of the profits or the right to appoint a director, of any Body of Persons;

One of the main obligations impose on the Minister is to manage his affairs so as to avoid a conflict of interest between the performance of his duties as Minister and his personal affairs. A Minister shall perform his or her duties impartially, with fair manners to all and shall have no personal interest in the decisions or actions, even in appearances only. The rules also provides that the Minister shall not be engage in any business and shall not hold office, be a member of management or any other institution

of a Body of Persons that is engaged in any activity aimed at obtaining profits, an institution that receives state funding (directly and indirectly), or institution that receives donations. Therefore, immediately after the commencement of his term as a Minister, he must resign from any job, position or office that are not in accordance with these rules.

In addition, the Minister is prohibited from participating in any way in any activity or decision that affects the granting of a benefit or right, in which he has a personal interest. The Minister must declare his personal interest in that action or decision, and notification about this declaration shall be submitted at the State Comptroller in regard of this matter.

Where a conflict of interest exists, the Minister has to contact the Attorney General to prepare arrangement to prevent conflicts of interest, as required.

The Rules also presents limitations regarding the Minister's financial affairs, including: prohibition to receive salary or benefit other than salary from the state, the prohibition of receiving income from business and from Body of Persons. Further, it is provided that the Minister shall not hold funds (as defined in the Rules), including securities, not through a Blind Trust, and that within 60 days of the commencement of his service, he must transfer all the securities and the bonds to a public, independent Trust Company. The Deed of Trust between the Minister and the Trust company shall be submitted to the approval of the Attorney General. The Minister shall provide a copy of the approved Deed of Trust, together with the list of securities that had been transferred to the Trust Company, to the State Comptroller. The Minister may not acquire state assets, directly and indirectly. In addition, Minister who own rights in a business or who own shares which grant him a control over a Body of Persons, he shall get rid of his rights and of his shares in one of three alternatives manners listed in the Rules.

The Rules state that within 60 days from the commencement of service, the Minister shall report to the State Comptroller, in a form determined by the Comptroller, about the capital, assets, and liabilities that the Minister and his family have on the day of commencement of service. The information that the Minister has to report includes: sources and amounts received by the Minister and his family in the year preceding the appointment; full details on assets transferred to another under the rules; full details on businesses that the Minister leased under the rules; List of securities that were transferred to trust company; a detailed list of all jobs, positions and the offices he held before his appointment as Minister. The Minister has to submit report to this effect on each year of service and at the end of his tenure.

The declarations are reviewed by the State Comptroller with the assistance of a small team that treats those declarations in a discrete and confidential manner. The declarations are stored in a vault, along with all the relevant documents.

The rules were amended in 1980, following the recommendations of a committee headed by Justice Kenneth, who also recommended the appointment of a committee that will be authorized to issue an individual permit for non-compliance of any of these rules (hereinafter the Permits' Committee or the Committee).

**The normative framework in which the Permits' Committee operates:**

The Permits' Committee operates in proximity to the State Comptroller and is not subject in its decisions to anyone but to the law. The committee's activities and powers are enshrined in Chapter D of the Rules for the Prevention of Conflicts of Interests.

**A. Appointment of the Committee:**

Rule 18 to the rules stipulate, inter alia, that the State Comptroller shall appoint the members of the committee for two years.

**B. Powers of the Committee:**

Rule 19 defined the powers that the Committee, under which the Committee may refuse to grant the permit, grant it or grants it subject to conditions, if it finds it justified under the circumstances and proper from a public perspective. It was also determined that the validity of the permit shall not exceed the duration of the term of the Government. The rules provide the Committee the authority to revoke a permit or to modify it under the circumstances. Rule 20 stipulate that the Committee may be contacted by the Minister or by a candidate for a Minister position. Rule 21 states that the Committee shall hear the opinion of the State Comptroller before issuing its decision and that the decision will be final.

**C. Compensation for the Committee's members:**

Rule 23 states that the Committee members shall receive reimbursement of expenses as determined by the State Comptroller; Committee members who do not receive a salary from the state will receive fees for their participation in meetings of the Committee.

**Review on the activities of the Committee:**

A. The permits' Committee has been operating since 1980. From the commencement of its operations until the end of 2009, the Committee had received more than 100 decisions. During the tenure of the Committee, many diverse topics had been brought for its perusal, in order to receive its decision, including:

1. Continuation of service in bodies where the Ministers served prior to the commencement of their service. Among those bodies are commemorative associations and public bodies such as band or sports association.
2. Continuation of writing articles, books, research and giving lectures for various parties during the term of office or receiving rewards for writings published prior to the commencement of service.
3. Travel abroad on account of a foreign entity (i.e., those who are not part of the state institutions) and receiving contributions from foreign entities under special circumstances.
4. Arrangements for financial management, securities holdings and other financial issues such as providing one-time instruction to the Trust Company, the continued holding of shares in private companies and more.
5. Other topics (see below).

**b. Ministers inquiries:**

Inquiries of Ministers and Deputy Ministers are forwarded through the State Comptroller's Office to the Committee's members. Note that in some cases inquiries included several requests on various

unconnected subjects. All inquiries to the Committee were from serving Ministers and Deputy Ministers. There were no inquiries by candidate for Minister position.

**c. Course of the discussions:**

The Committee meets to discuss inquiries. During the discussions, various applications for granting permits from Ministers and Deputy Ministers are presented to the Committee. Sometimes the application are presented by the Ministers themselves, and sometimes by other representatives on behalf of the applicant Minister, including spouses, lawyers representatives, accountants representatives etc, at the presence of applicants or without them, all under the circumstances.

**d. Decisions of the Committee:**

Pursuant to Rule 21 (a), before the Committee makes a decision, it hears the opinion of the State Comptroller for the preceding case. In accordance with its powers as set forth in the Rules, the decisions of the Committee were divided between granting the permit, granting a temporary permit or conditional permit under certain conditions, and permit refusal. The decisions were given considering the circumstances and details of the case and in accordance with the interpretation of the rules by the Commission.

Decisions were given to the Ministers a few days after the discussion about them; copies of the decisions are saved at the Ministers' files at the State Comptroller's office.

Following are examples of decisions made in recent years in each field, in chronological order. It is emphasized that in all the decisions of the Committee to respond to applications of Ministers and Deputy Ministers, the decision was made after the Commission found that it is justified under the circumstances and proper from a public perspective, and that granting the application will not bring damage or risk of real damage to the provisions of the rules:

**1. Funds and assets management and securities holding**

- 1.1. A Minister got permit to continue and keep funds in amount exceeding 200,000 NIS, not through Trust Company, in order to renovate his house. The decision provided that the Minister shall report to the State Comptroller every three months on the expenses due to renovating the apartment.
- 1.2. A Minister did not get a permit to continue to hold government bonds in a considerable amount not through a Trust Company. This was part of his financial assets (the remainder were transferred at an earlier date to the Trust Company).
- 1.3. A Minister got permit to receive during his tenure denominated receipts that were supposed to be received from corporation that was in his ownership prior to the commencement of the service, for services he provided to the corporation before the commencement of the service.
- 1.4. Minister got a permit to keep a deposit that also included securities in an amount not exceeding 50,000 NIS, since it was his only investment in financial assets, and due to lack of involvement in the deposit's management.
- 1.5. Minister got permit to continue to own a real estate holding company that was not active at all. The company had additional owners and was engage solely in real estate holdings.

- 1.6. A Minister did not get permit to provide a one-time instruction to the Trust Company concerning specific actions in the securities of the Minister under certain conditions.
- 1.7. A Minister was allowed to join his parents' bank accounts as an authorized signatory, in view of special personal circumstances that were given to the committee.
- 1.8. A Minister got permit to continue to hold the shares of a company under his full ownership. The company was not active at that time and it was facing liquidation. The permit was granted until specified date or until the date of the liquidation of the company, whichever was the earlier of the two dates.
- 1.9. A Minister got permit to continue to hold, not through a Trust Company, his stock rights in a private company (his holdings were less than one percent and there was no connection between him and the Company).
- 1.10. A Minister got permit to manage his financial investments (abroad) that were held in a Blind Trust, using a foreign management company.
- 1.11. A Minister, who is a member of a Moshav, got permit to continue receiving meager receipts arising from his membership at the Moshav.
- 1.12. A Minister got permit to hold government bonds, not through a Blind Trust company, as long as the balance does not exceed the threshold amount (NIS 200,000). The Minister is not involved in the investment of the funds, and the bank which holds his financial assets is investing in government bonds as a matter of routine.
- 1.13. A Minister did not get a permit to provide a one - time instruction to Trust Company to continue and hold a certain security until a specified date. The reason for the request was to minimize financial damage from the sale of the security in question prior to the particular date.
- 1.14. A Minister got permit for his wife to be a partner in her mother's bank account under certain conditions. In another case, Minister got permit for his wife to have power of attorney of her mother's bank account.
- 1.15. A Minister did not get permit to provide a one-time instruction to the Trust Company concerning how to handle his rights in non-public corporations that the Minister transferred to the Trust Company.
- 1.16. A Minister got permit to continue to serve as trustee in an endowment, the aim of which was to financially help a family member who could not support himself independently, on a limited scale and without fees and reimbursement of expenses.
- 1.17. A Minister got permit to continue to receive benefits from public bodies, the rate of which was determined before he become a Minister.

## **2. Continuation of activity in bodies**

- 2.1. A Minister got permit to continue serving as a member of a certain fund's management. The fund engages in the promotion of Jewish, Zionist and national issues and does not raise any donations from any entity. The motive for the Minister's inquiry - friendly relations between the family who founded the fund and his family. The permit was conditioned on the non-recipe of fees or consideration for his role in the fund.

- 2.2. Minister got permit for a year to continue to stay in an unpaid leave from his previous position as a faculty member at an institution of higher education in Israel. During the year, the issue of the conflict of interest between his tenure as Minister and this institution will be examined; after this examination the Committee will continue to discuss the application.
- 2.3. A Minister got permit to continue to serve as a Rabbi of a certain neighborhood community, at no consideration, while ensuring this will not affect his duties as Minister.

### 3. **Researches, articles and books**

- 3.1. The committee gave a Minister a permit retroactively to publish a book, part of which he wrote during his tenure as Minister. The book contains a collection of various articles and essays. Since half of the book was written during his tenure as Minister, the Committee held that the Minister is entitled to receive only half of the proceeds from the sale of the book that are due to him, and the other half he will contribute to an institution or a body that has no personal, institutional or political connection to the Minister. The Minister was requested to submit to the Committee's approval the names of the entities to which he intended to donate.
- 3.2. A Minister got permit to publish a book that he wrote at a time when did not serve as a Minister and was not even a member of the Knesset. The book deals with matters of peace and economics. The Commission allowed the Minister to receive wage or other consideration at the time of publication.
- 3.3. A Minister got permit to continue to receive royalties of few thousands of dollars from a book at his academic specialization that he wrote when he did not serve as a Minister.
- 3.4. A Minister got permit to contribute half of the receipts he received from publishing a book to a fund.

### 4. **Travel abroad on account of a foreign entity and the receipts of contributions**

- 4.1. A Minister did not get permit to receive funding from a the municipality of an European city in order to travel there and participate in the anniversary celebrations of this city. Also, the Minister did not get permit the to stay in the same city at the expense of the Jewish community in the city.
- 4.2. A Minister did not get a permit to receive funding from private entity to finance his trip abroad and participate in dinner party aimed at raising funds for that private entity.
- 4.3. A Minister did not get a permit to receive funding from private entity to finance his trip abroad and participate in an evening of tribute and salute to this entity.

### 5. **Other**

- 5.1. A Minister got permit to give a recommendation to foreign Minister of a country (on friendly terms) in which he expressed his support for an Israeli - Palestinian project.
- 5.2. A Minister did not get permit to handle a private Israeli - Jordanian project. The Israeli part in the project was bought by a person who contributed to the Minister during the primaries to the Knesset.

- 5.3. A Minister did not get permit to refrain from performing some of the guidelines imposed on him in a conflict of interest agreement that was approved by the Attorney General. The guidelines imposed on him a limitation due to a connection created while receiving a contribution during the primaries.

**F. Publication of the Committee's decisions:**

According to the decision of the Permits' Committee dated November 28, 2010 concerning the publication of its decisions and in accordance with the judgment in AP 1981/09 dated March 15, 2011 of the District Court in Jerusalem sitting as the Court for Administrative Affairs, as a rule, the decisions of the Permits Committee will be published from now on. The decision was delivered in January 24, 2011 to all the Ministers and Deputy Ministers.

However, the Committee decided that "given the nature of issues in question and their sensitivity, the cases will be considered case by case, and the Committee may determine at its discretion and considering the circumstances of each case to publish the decision in a partial manner, while omitting details or making modifications, or with no identifying information. For this purpose the Committee will also consider the position of the Minister or Deputy Minister concerned about the publishment".

**Declaration of capital, assets and rights upon commencement of service**  
**(Under Section 17 of the Rules)**

I, the undersigned, \_\_\_\_\_, ID number \_\_\_\_\_, position in the Government -  
\_\_\_\_\_, hereby declare that the details as of the day \_\_\_\_\_, that I provide in this  
report, in all its parts, are full and correct.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of declarer



Confidential / Personal

Rules for the Prevention of Conflicts of Interests by Ministers and Deputy Ministers

**Personal Information:**

Current address: City \_\_\_\_\_ Street \_\_\_\_\_ House Number \_\_\_\_\_ Zip Code \_\_\_\_\_

Marital Status \_\_\_\_\_

Details of the spouse / partner: Family Name \_\_\_\_\_ First Name \_\_\_\_\_ ID \_\_\_\_\_

**Dependent Children:**

ID Number	Year of Birth	Family name	First Name

**Children over 18 years:**

ID Number	Year of Birth	Family name	First Name

Rules for the Prevention of Conflicts of Interests by Ministers and Deputy Ministers

1. Accounts and deposits in banks and other financial institutions in Israel (in Israeli currency and in foreign currency)

Part in the account in %	Partners in the account	Balance in NIS	Name of account holders or Authorized signatory	Account Type	Account Number	Branch	Bank Name

Please attach balance confirmation from the bank

**2. Accounts and deposits in banks and other financial institutions abroad**

Part in the account in %	Partners in the account	Currency type	Balance in foreign currency	Name of account holders or Authorized signatory	Account Type	Account Number	Country	Bank Name

Please attach balance confirmation from the bank

**3. Cash**

Currency type	Face value in the currency

Please state funds held in a vault at your possession or with third parties

Rules for the Prevention of Conflicts of Interests by Ministers and Deputy Ministers

**4. Securities and other investments**

Place of Deposit	Part in the rights in %	Names of partners in the rights	Date of purchase	Linkage Index	Number of units	Face value per unit	Series name / issue number	Type of security	Issuer

**5. Rights in provident funds and insurance plans and savings**

Name of provident fund / insurance company / savings plan	Join Date	Balance NIS	Membership number / file number / account number



Rules for the Prevention of Conflicts of Interests by Ministers and Deputy Ministers

**7. Movable property, include vehicles, machines, equipment, valuables, merchandise and other inventory**

Type of item	Description	Date of purchase New / Used	Cost or estimated value, according to his best judgment, NIS	Partners Names	Part owned, %

Please refer to movable property, including vehicles (specifying vehicle license number and year of manufacture), ships and aircraft and other vehicles, including consumer durables goods in the house's contents, valuables, collections, art, merchandise and other inventory (domestic and abroad), costing over 10,000 NIS.

Where the belongings are insured with an insurer - a current insurance policy with a list of items can be attached.