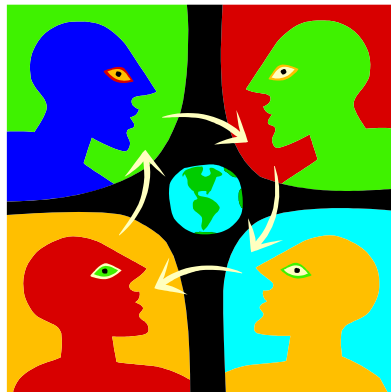




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Corporate Relocation to Israel

General Introduction & Process Overview

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Kan-Tor & Acco

Corporate Relocation to Israel

General Introduction & Process Overview

Business Trips

A valid passport, and depending on the nationality of the visitor, an entry visa are necessary for entry into Israel for business. Information regarding the necessity for an entry visa, as well as other important information regarding Israeli consulates can be found at <http://www.ktalegal.com>.

As a rule, nationals of the European Union, the United States, Canada, Japan and other nations are admitted to Israel without an entry visa for a period of up to 90 days. No employment of any kind is permitted during this period. Extensions of this initial 90 day period may be approved by the MOI (hereinafter: "**MOI**"); for a maximum stay of six months.

The term "business trip" is not specifically defined in Israeli law. Nonetheless, it is clear that if the purpose of the proposed travel to Israel entails productive work of any kind, a work permit must be obtained. This, regardless of the expected duration of the individual's stay in Israel (please see the "Gray Area Activities" section, below).

An individual seeking to travel to Israel on business, who is a national of a country not on Israel's visa waiver list, must obtain an entry visa from the Israeli consulate with jurisdiction over his place of residence. Israeli law generally provides for only one type of visa category for both tourists and business travelers: The B-2 visa.

For business travelers, B-2 procedure normally includes 3 separate bureaucratic steps: (1) Submission of a visa application with the MOI; (2) Issuance of the B-2 visa at the relevant Israeli consular post abroad, prior to entry into Israel; and (3) Extension of the B-2 visa at the MOI after arrival in Israel, if necessary.

First Step: Visa Application

Israeli consulates normally require that business travelers from non-waiver countries be officially sponsored by an Israeli company. A company provides such sponsorship by filing an application with the MOI. The application must contain a detailed description of the proposed visit, and also provide complete details relating to the prospective visitor, including educational background, professional experience, accommodation arrangements etc. Processing times for work permit applications currently range from 2-4 weeks.

If the application is approved, the MOI will issue instructions to the relevant Israeli consulate to issue the B-2 visa.

In some cases, depending on the individual's nationality, a special security clearance will be required prior to the approval of the application. Security clearance process currently ranges from 2-8 weeks.

Second Step: Consular Processing

In accordance with the instructions issued by the MOI (as discussed above), the Israeli consulate will issue the B-2 visa in the individual's passport. The visa will generally be valid for a single entry of up to 90 days only.

Third Step: Visa Extension

Following entry into Israel, an application to extend B-2 stay may be made at the local MOI. Extensions may be given for up to an additional 90 days. Applications should include, among other things, an explanation regarding the need for the extension, and a detailed description of the activities planned during the requested extension period.

Gray Area Activities

Because "business trip" is not specifically defined in Israeli law, the proposed activities of some foreign nationals may fall into a "grey area." Examples include: (1) individuals seeking to participate in R&D groups; (2) install hardware; or (3) provide field service support. In such cases, we recommend that the company first consult with Kan-Tor & Acco with regard to appropriate visa options.

Employment of Foreign Nationals

A foreign national who has been assigned to work assignment in Israel must obtain a work permit and an appropriate entry visa. Israeli law generally provides for only one type of work status relating to the employment of foreign professionals and non-professionals alike: The B-1 visa category.

B-1 procedure includes four separate bureaucratic steps: (1) submission of a work permit application with the Ministry of Industry, Trade and Labor (hereinafter: "**MOITAL**"); (2) filing of a subsequent visa application with the MOI; (3) issuance of a short term B-1 visa at the relevant Israeli consular post abroad, prior to entry into Israel; and (4) extension of the B-1 visa at the MOI after arrival in Israel, and obtaining a multiple entry visa for the entire B-1 approval period.

First Step: Work Permit Application

An Israeli employer must be the official sponsor of a work permit application. In so doing, the Israeli employer files a work permit application with the MOITAL are made by. A work permit application must contain a detailed description of the offered job position, and also provide complete details relating to the prospective employee, including educational background, professional experience, proposed salary in Israel, housing

arrangements etc. Processing times for work permit applications currently range from 4-8 weeks.

If the application is approved, the MOITAL will issue a B-1 recommendation letter to the MOI. Such recommendation letters are normally valid for up to one year; the employer may request annual renewals of this recommendation for up to one year each.

Second and Third Steps: Visa Application & Consular Processing

Upon issuance of the MOITAL recommendation letter, application may be made with the MOI, asking that it instruct the relevant Israeli consular post abroad to issue a B-1 work visa to the foreign national. Applications must include, among other things, an undertaking to provide the employee with valid health insurance covering the term of the authorized B-1 employment. Processing times for this notice currently range from 2-4 weeks.

If the applicant is in Israel at the time of the WP approval, he/she must depart from Israel for at least 7 days prior the submission of the application for working visa at the Ministry of Interior. The applicants will have to remain abroad until the working visa will be issued in their passport at the Israeli consulate out of Israel (Normally 14-21 days staying out of Israel).

NOTE: The initial validity period of B-1 work visas is limited to thirty days; moreover, the visa will generally be issued for a single entry only. In some cases, depending on the individual's nationality, a special security clearance will be required prior to the approval of the application. Processing of security clearance currently ranges from 2-8 weeks.

Visa procedures often vary from consulate to consulate. In some countries, mostly Eastern and South American countries, medical checks by an approved clinic will be required for visa issuance. These checks will include, for example: HIV test, Hepatitis B surface antigen test (Hepatitis C screening), and a Tuberculosis test.

Under new regulations, work permits and valid B-1 visas must be arranged prior to entry to Israel, since petitions for B-1 visa classification cannot be made by way of change of status.

Fourth Step – Visa Extension in Israel

Following entry into Israel, an application for a new B-1 visa stamp for an extended validity period (up to one year) and valid for multiple entries must be processed at the local MOI. This latter step should be completed within 30 days from date of arrival.

Any departure from Israel before such visa is being provided, will cancel the applicant B-1 visa obtained at the consulate, and will require re-process of the visa at the consulate. Therefore it is important that the applicant will advise KTA as soon as possible prior to the date of expected arrival to Israel, to receive instruction regarding sending the passport to our office.

Refusal of Application by the Ministry of Interior

The MOI has the authority to refuse the B-1 visa application. When refusing an application, The MOI is under no obligation to inform the applicant of the grounds for the refusal. Visa denials are not subject to judicial review. The most common grounds for refusal include: (1) possession of a criminal record in Israel and/or abroad; (2) previous legal or illegal residence or work in Israel; or (3) the making of a false material statement by the applicant.

Travelling to Israel During the Work Visa Process:

Work permit applicants can travel to Israel for business trips (working is not allowed and illegal) from date of initiation of the process until starting the consular processing following the approval of the Ministry of Industry Trade and Labor (Second and third step above - approximately 45 days after work permit submission). It is recommended minimizing the business trips while process is pending, to avoid suspicion of dual intention by the border control.

In case the applicant's nationality is not included within the nationality waiver visa list, a relevant application for the issuing of a B-2 visitor visa at the Israeli consulate abroad must be submitted in advance.

The B-1 visa always corresponds in duration to that of the MOITAL recommendation letter. Derivative visas for accompanying family members are normally issued for a similar duration. Please note that the MOI will refuse to issue derivative visas to an accompanying family member if, for example, the Ministry suspects that the family member will engage in unauthorized employment.

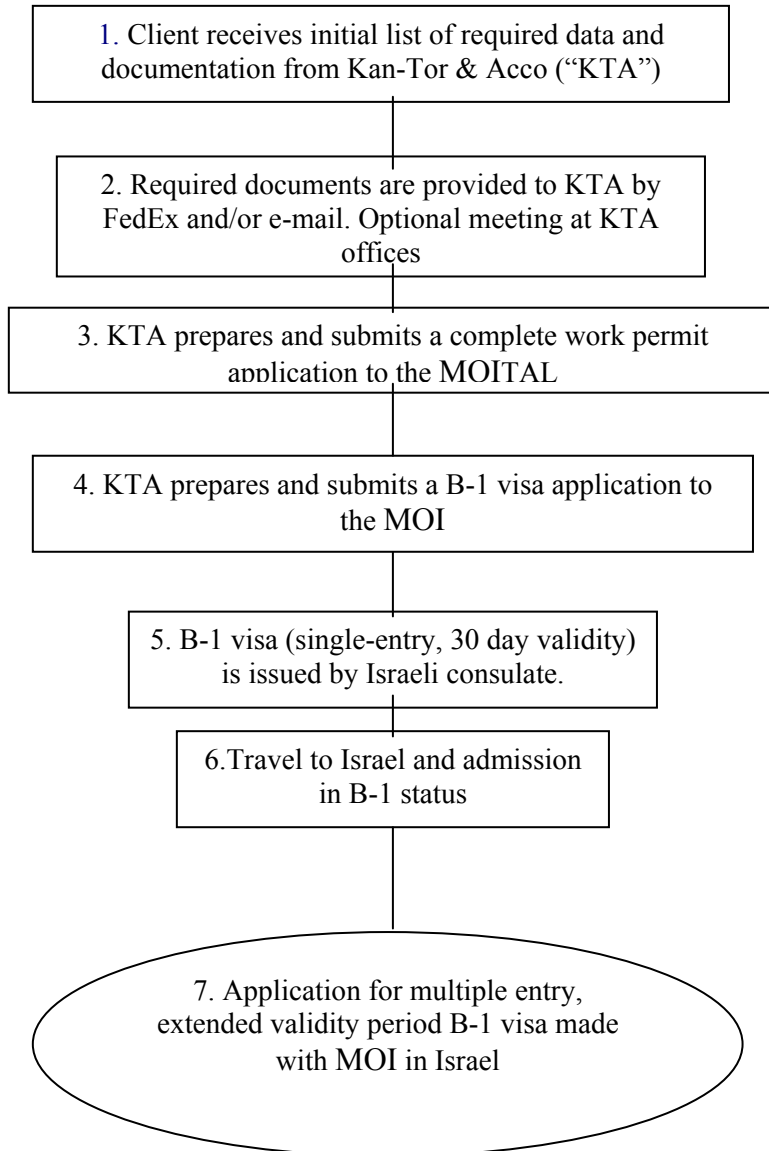
Family members are not authorized to work in Israel, unless they are the beneficiaries of separate work permit applications which are processed in accordance with the above-described procedures.

Most B-1 visas are non-transferable, and are granted for one year with the possibility of renewal, up to five years and three months maximum. A request to renew the work permit must be filed by the employer at least 90 days before expiration of the B-1 visa, following the above process.

The Entry to Israel Law (1952) and the Foreign Employees Law (1991) are the primary laws governing the issuance of B-1 visas and subsequent admission and residence in Israel. It is the responsibility of the employer to abide by these statutory provisions. Employment of foreign nationals without a valid B-1 visa is a criminal offence and subjects the employer to heavy fines and even imprisonment. Moreover, an individual found to be working without a valid work visa is subject to deportation from Israel at the expense of the employer.

Corporate Relocation to Israel

B-1 Work Visa - Brief Overview



Corporate Relocation to Israel

B-2 Visitor Visa - Brief Overview



1. Client receives initial list of required data and documentation from Kan-Tor & Acco (“KTA”)



2. Required documents are provided to KTA by FedEx and/or e-mail.



3. KTA prepares and submits a B-2 visa application to the MOI

4. B-2 visa (single-entry, 30 day validity) is issued by Israeli consulate.



5. Travel to Israel and admission in B-2 status

FAQs: Visas and Work Permits for Foreign Workers in Israel

1. What are the categories of temporary work visas available for foreign nationals in Israel?

Israeli law provides for one general type of work permit for nationals: The B-1 visa.

2. Which government ministries are involved in the temporary work permit process?

The Ministry of Industry Trade and Labor (MOITAL) in the first instance; and the Ministry of Interior (MOI) in the second instance.

3. What basic procedure is used to obtain a temporary work visa?

B-1 procedure is comprised of the following procedural steps:

1. Submission of a temporary work visa petition to the local (municipal) office of the MOITAL. This office carries out initial processing, and thereafter sends the application directly to the national office in Jerusalem for further consideration. Following consideration of the application, the national office will either approve or deny the visa petition. "Approval" in this case takes the form of a written recommendation to the MOI to issue a work visa.
2. Submission of a subsequent visa application to the MOI (via its Office of the Population Registrar). In adjudicating visa applications, the Office of the Population Registrar acts in similar fashion to an American Consulate in the context of adjudicating a work visa application based on a Form I- 797 Approval Notice. Like the U.S. Consul, the Population Registrar has full discretion to refuse to issue a work visa application. The most common grounds for refusal include: (1) possession by the visa applicant of a criminal record in Israel and/or

abroad; (2) previous illegal residence or unauthorized employment by the visa applicant in Israel; or (3) the making of a material misrepresentation by the visa applicant.

3. Transmission of visa issuing instructions by the Population Registrar to the Israeli consular post with jurisdiction over the applicant's place of residence. The Israeli consul then issues a single-entry B-1 visa valid for up to 30 days.
4. Upon admission to Israel, the foreign worker should apply to the MOI for an extended validity, multiple-entry B-1 visa stamp.

4. What conditions or restrictions apply to workers on temporary work permits?

The foreign employee may work only for the sponsoring employer, pursuant to the terms and conditions of the approved petition. The terms and conditions of employment such as salary, accommodation and health insurance must comply with relevant labor laws and regulations.

5. What is the validity of a temporary work visa?

Work visas (B-1) are normally valid for up to one year. Extensions of up to one year each may be requested, but total stay in B-1 status ordinarily may not exceed five years and three months.

6. How long does it typically TPT for a temporary work visa to be issued?

Total processing times for B-1 work petitions typically range between 12-14 weeks.

7. What is the degree of difficulty for obtaining approval of a work visa application?

Current governmental policy limits the number of work permits to be issued for foreign employees. As a result, applications should be submitted professionally and promptly in accordance with current regulations and criteria as applicable in an effort to avoid delay and refusal.

8. Is special consideration for visas given to persons of certain nationalities?

Generally, no. That having been said, nationals of countries listed by the Israeli government as "Hostile States" are subject to special security clearance procedures which extend the length of the process.

9. What other potential problems should foreign temporary workers be especially aware of?

The employment of a foreign professional without a valid work visa can subject the employer to significant monetary sanctions. Additionally, the managers of repeat corporate offenders are subject to criminal liability. An individual found working without a valid work permit is subject to deportation.

10. May members of a temporary worker's household be authorized to work? (e.g., spouse, children, parents)

Dependents of a B-1 visa holder are not allowed to work in Israel, unless a separate B-1 process is utilized for that individual.

11. I am working for a US company and I am expected to be based In Israel soon. I am finance manger for the cap group which is a very large mutual fund based in the US. My expected work in Israel has not connection to the Israeli market. I am expected to sit in my office on a computer and buy and sell stock in the US. I am not expected to work with any Israelis and I am not expected to do anything with Israeli companies. Will I need a Work visa?

The mere fact that you are expected to **work** in Israel – will require you to obtain work visa prior to your entry to Israel. The facts that you will remain under US payroll as well as that your managerial structure will remain in the US, will not preclude you from the need to obtain work visa in Israel.

12. I am in the process of processing the visa at the consulate. My passport will expire in 1 year from Today. Do I need to extend my passport?

To allow a full year visa, your passport must be valid for at least 1 year and 9 months form the day of initiation of the process. Therefore, in case the passport is valid for less than 1 year and 9 months, it is required to extend or to issue a new passport. It is recommended to complete this process at your country of residence.

13. I've been issued with a B-1 work visa at the consulate. The visa is valid for 2 months, what does it mean?

This means that you can travel to Israel within 2 month period form the day the visa was issued at the Israeli consulate. Upon entry into Israel, you will obtain new visa. The new visa duration will be decided by the border control officer. During this period KTA will submit a relevant application to the Ministry of Interior to extend the visa for the full duration of the work permit.

14. Our multinational company would like to relocate a foreign expat form Turkey to Israel. The employee current salary in the US is approximately 10,000 NIS per month. Can we continue pay the employee the same salary in Israel?

No, According to the Israeli law and regulations, there is a prevailing wage requirement of double of the Israeli average salary (approximately 14,000 NIS per month), in addition to other benefits the employee is entitled by law.

15: One of the expats (Robert) in our project in Israel should be replaced soon by another expat. Robert's B-1 visa will expire 6 month from today. What is the requiered process for providing the new expat with Robert's remaining 6 month B-1 visa?

Since the work permit and the working visa are issued for specific foreign employee, a new application will have to be submitted to the Ministry of Trade Industry and Labour, followed by a new consular processing.

16: Can a foreign company sponsor an application for work permit in Israel without an Israeli sponsor?

The Ministry of Trade Industry and Labor's regulations require that an Israeli based company will sponsor applications for work permit in Israel. However, in extraordinary cases (for example in multinational projects), where there is no Israeli company that is involved (and capable of sponsoring the application), an application for work permit may be submitted by a foreign company. Such applications are normally more complicated than normal, and requieres extra burden of proof regarding the foreign company.

17: Our Company would like to employ a foreign national in Israel. The individual is a Jewish person that is interested in making "Aliah". Can he start work in Israel immediately upon arrival to Israel?

If the candidate is Jewish or otherwise eligible under the law of return, he can apply to become an Israeli citizen as "Oleh Hadash" - new immigrant. Upon successful application, the candidate will be able to reside and work in Israel permanently. We recommended that the application will be submitted prior to entry to Israel, through the Jewish Agency - at the Israeli consulate. This will allow, if accepted, immediate work of the candidate upon entering into Israel. Otherwise the process can be delayed while in Israel, with the result of employment restriction until the New Immigrant status will be approved.

18: Our Company would like to employ a US national in Israel. The candidate is a Jewish person that is NOT interested in making "Aliah". Can he start work in Israel immediately upon arrival to Israel?

The company can apply for the Jewish candidate to work in Israel as a foreign expat, for the maximum period of 5 years and 3 month. The process for obtaining an Israeli B-1 work visa takes ~3 months. Before the candidate has obtained a B-1 visa in his passport he cannot work in Israel. During the first stage of the process the candidate may remain in Israel as a tourist on his B-2 visa (no work allowed), however during the second stage of the process he will have to leave Israel and obtain the B-1 visa stamp at the Israeli consulate at his home country. Each stage takes up to 45 days.

19: My working visa has recently extended for additional year; however I've found out that I have "lost" 2 months, due to the fact that the extension begins 2 months prior the previous visa expiry date. Can this be fixed?

The process for extension takes normally up to 3 months. In some cases the MOITAL approves the application faster. Since the approval notice is issued for one year from date of the application approval, 1-2 month may be "lost" as a result. Nevertheless we strongly recommend to initiate with the extension process at least 3 months in advance, and not to wait for the last minute. The risk of delay in the process beyond the original visa validity is severe, due to the fact that the expat and his

dependents will have to depart from Israel until the receipt of the approval for extension, followed by consular processing out of Israel.

- 20. I have been working in Israel for several months and traveled back to Germany, my home country. My work visa in Israel will expire within 3 months, and extension will be required (as I am planning to return to work in Israel soon). Is there a requirement for me to be in Israel during the extension process? And if so, for how long?**

The new visa will have to be stamped in the passport at the Ministry of Interior in Israel - prior to the expiry date of the current visa. Therefore, you must be in Israel at least 2 weeks prior to the expiry of the current visa, to allow us to process the visa in the passport. In case you will not come to Israel as mentioned above, the visa process will have to be done at the Israeli consulate abroad.

- 21. In which stage within the Work Permit process, a medical insurance must be obtained?**

Following the approval of the application for WP, and while the application for B-1 working visa is submitted at the local Ministry of Interior, a signed medical obligation must be signed by the Israeli company. The obligation is to obtain a medical insurance for the expat.

According to the Israeli law, medical insurance for foreign employee must be valid from the day of entry to Israel of the foreign employee. The working visa is void unless such insurance has been obtained.

- 22. My multiple entry visa will be expired 1 month prior the working visa, what are the consequences?**

Any departure from Israel after the expiration of your multiple entry visa will cancel your working visa. In case you will not depart from Israel within this period, you can continue to work in Israel until your working visa will be expired.

- 23. My visa will be expired in 1.5 months. I have just been informed that approval for extension of the WP have been received. How long in advance the visa process for extension can be completed?**

The Ministry of Interior does not normally extend the visa 1.5 month prior to expiry of current visa. This is normally being done only within the last month. In case the foreign national is required to depart from Israel and expected to return only after the expiration date of the current visa, a formal letter from authorized manager within the company regarding the proposed travel abroad will be required to apply before the 1 month period mentioned above.

- 24. I've been obtained with a working visa visa at the Israeli consulate valid for 30 days. I'm expected to arrive to Israel only 1 day prior the visa will be expired. Is it sufficient for extension purposes?**

Normally yes, following you arrival to Israel you will receive a visa valid for 1 month from arriving date. During this month our office will submit a relevant application for extension for a full year. We do however recommend to enter Israel few days prior to the expiry of the visa provided by the consulate.

- 25. A work permit application in Israel will be submitted for several employees of our company, are they allowed to stay in Israel during the process?**

The applicants can travel to Israel for business trips (working is not allowed and illegal) from date of initiation of the WP process until starting the consular processing following the approval of the Ministry of Industry Trade and Labor (approximately 45 days).

Following the approval of the application, the applicants must depart from Israel for at least 7 days prior the submission of the application for working visa at the Ministry of Interior. The applicants will have to remain abroad until the working visa will be issued in their passport at the Israeli consulate abroad (Normally 14-21 days staying out of Israel).

It recommended minimizing the business trips whiles process is pending, to avoid suspicious of dual intention by the border control.

In case the applicant's nationality is not included within the nationality waiver visa list, a relevant application for the issuing of a B-2 visitor visa at the Israeli consulate abroad must be submitted in advance.

FAQs: Visitor visas for Foreign nationals in Israel

1. What are the categories of visitor's visas available for foreign nationals in Israel?

Israeli law provides for one general type of visitors visa for foreign nationals: The B-2 visa. This visa covers Business travels.

2. What are the allowed activities during the business trip?

The term “business trip” is not specifically defined in Israeli law. Nonetheless, it is clear that if the purpose of the proposed travel to Israel entails productive work of any kind, a work permit must be obtained. This, regardless of the expected duration of the individual’s stay in Israel.

3. How can I know if my proposed visit in Israel is defined as work or business trip?

Because “business trip” is not specifically defined in Israeli law, the proposed activities of some fforeign nationals may fall into a “gray area.” Examples include: (1) individuals seeking to participate in R&D groups; (2) install hardware; or (3) provide field service support. In such cases, we recommend that the company first consult with Kan-Tor & Acco with regard to appropriate visa options.

4. Do I need to issue a B-2 visa prior to my travel to Israel?

As a rule, nationals of the European Union, the United States, Canada, Japan and other nations are admitted to Israel without an entry visa. An employee seeking to travel to Israel on business, who is a national of a country not on Israel’s visa waiver list, must obtain an entry visa from the Israeli consulate with jurisdiction over his place of residence.

5. What basic procedure is used to obtain a temporary pre-entry visa?

For business travelers, B-2 procedure normally includes 3 separate bureaucratic steps: (1) Submission of a visa application with the MOI in Israel; (2) Issuance of the B-2

visa at the relevant Israeli consular post abroad, prior to entry into Israel; and (3) Extension of the B-2 visa at the MOI after arrival in Israel, if necessary

6. What conditions or restrictions apply to business visitors?

No employment of any kind is permitted during this period.

7. What is the validity of a temporary visitor visa?

As a rule, nationals of the European Union, the United States, Canada, Japan and other nations are admitted to Israel without an entry visa for a period of up to 90 days. Extensions of this initial 90 day period may be approved by the MOI for a maximum stay of six months.

Where the visitor is from a non-waiver country, entry visa will be provided for a period of up to 30 days. Extensions of this initial 30 day period may be approved by the MOI for a maximum stay of six months.

8. How long does it typically TPT for a B-2 visitor visa to be issued?

Total processing times for B-1 work petitions typically range between 2-4 weeks.

9. Is special consideration for visas given to persons of certain nationalities?

Generally, no. That having been said, nationals of countries listed by the Israeli government as "Hostile States" are subject to special security clearance procedures which extend the length of the process.

10. I am in the process of processing the 3 month visitor visa at the consulate. My passport will expire in 6 month from Today. Do I need to extend my passport?

To allow a full 3 month visa, your passport must be valid for at least 9 months from the day of initiation of the process. Therefore, in case the passport is valid for less than 9 months, it is required to extend or to issue a new passport.

11. I've been issued with a B-2 visitor visa at the consulate. The visa is valid for 1 month, what does it mean?

This means that you can travel to Israel within 1 month period from the day the visa was issued at the Israeli consulate. Upon entry into Israel, you will obtain new visa. The new visa duration will be decided by the border control officer (normally for up to 30 days). During this period KTA will submit a relevant application to the Ministry of Interior to extend your visa for the full duration of your expected business trip in Israel. Work of any kind is not allowed during this period.

12. One of the expected business visitors holds both US and Indian passport (as he is dual national). Indian nationality requires a pre-entry visa to Israel and US nationality doesn't. Is there a requirement for the visitor to apply for a pre-entry visa?

If the visitor will travel to Israel with his waiver list country's passport (countries that are not required to obtain a pre-entry visa, such as the US), he will not need to apply for a pre-entry visa prior to the travel. Please see the full waiver list countries on KTA web site.