TOWER SEMICONDUCTOR LTD
Form SC 13D/A
March 11, 2015



**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**SCHEDULE 13D**

**Under the Securities Exchange Act of 1934**

**(Amendment No. 7)**

**Tower Semiconductor Ltd.**

**(Name of Issuer)**

**Ordinary Shares, NIS 15.00 par value per share**

**(Title of Class of Securities)**

**M87915-10-0**

**(CUSIP Number)**

**Ronen Meidan**

**Bank Hapoalim B.M.**

**63 Yehuda Halevi St.**

**Tel Aviv 6578109, Israel**

**972-3-567-4174**

**(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)**

**March 6, 2015**

**(Date of Event Which Requires Filing of This Statement)**

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. ¨

**Note:** Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person s initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of section 18 of the Securities Exchange Act of 1934 ( Act ) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

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1. Names of reporting persons.

   Bank Hapoalim B.M.

   I.R.S. Identification Nos. of above persons (entities only).

   Not applicable.

2. Check the appropriate box if a member of a group (see instructions)

   (a) ¨ (b) x

3. SEC use only

4. Source of funds (see instructions)

   OO

5. Check if disclosure of legal proceedings is required pursuant to Items 2(d) or 2(e) ¨

6. Citizenship or place of organization - Israel

| | | |
|---|---|---|
| Number of shares beneficially owned by each reporting person with | 7. | Sole voting power - 4,622,662 |
| | 8. | Shared voting power - 29,887 |
| | 9. | Sole dispositive power - 4,622,662 |
| | 10. | Shared dispositive power - 29,887 |

11. Aggregate amount beneficially owned by each reporting person - 4,652,549

12. Check if the aggregate amount in Row (11) excludes certain shares (see instructions) x

13. Percent of class represented by amount in Row (11) - 6.7% (1)

14. Type of reporting person (see instructions)

BK

(1) Based on the number of Ordinary Shares outstanding as at February 15, 2015, as reported by Tower in its March 2, 2015 Proxy Statement filed with the Securities and Exchange Commission (the **Commission** ) under cover of Form 6-K on March 2, 2015 (the **March 2015 Proxy Statement** ), and calculated in accordance with rule 13d-3(d)(1)(i).

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1. Names of reporting persons.

   Tarshish Hahzakot Vehashkaot Hapoalim Ltd.

   I.R.S. Identification Nos. of above persons (entities only).

   Not applicable.

2. Check the appropriate box if a member of a group (see instructions)

   (a) ¨ (b) x

3. SEC use only

4. Source of funds (see instructions)

   OO

5. Check if disclosure of legal proceedings is required pursuant to Items 2(d) or 2(e) ¨

6. Citizenship or place of organization - Israel

| | | |
|---|---|---|
| Number of shares beneficially owned by each reporting person with | 7. | Sole voting power - 0 |
| | 8. | Shared voting power - 29,887 |
| | 9. | Sole dispositive power - 0 |
| | 10. | Shared dispositive power - 29,887 |

11. Aggregate amount beneficially owned by each reporting person - 29,887

12. Check if the aggregate amount in Row (11) excludes certain shares (see instructions) x

13. Percent of class represented by amount in Row (11) - less than 0.01% (1)

14. Type of reporting person (see instructions)

CO

(1) Based on number of Ordinary Shares outstanding as at February 15, 2015, as reported by Tower to the Commission in its March 2015 Proxy Statement, and calculated in accordance with rule 13d-3(d)(1)(i).

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The statement on Schedule 13D, dated February 3, 2011, of Bank Hapoalim B.M. ( **Hapoalim** ) and Tarshish Hahzakot Vehashkaot Hapoalim Ltd. ( **Tarshish** ) (collectively, the **Reporting Persons** ), as amended by Amendment No. 1 thereto, dated June 10, 2013, Amendment No. 2 thereto, dated June 24, 2013, Amendment No. 3 thereto, dated July 22, 2013, Amendment No. 4 thereto, dated January 15, 2014, Amendment No. 5 thereto, dated June 6, 2014, and Amendment No. 6 thereto, dated August 29, 2014, is hereby further amended as follows:

**Item 2. Identity and Background**

Schedule A is hereby amended to read in its entirety as attached hereto and incorporated by reference.

**Item 5. Interest in Securities of the Issuer**

Item 5(a)-(c) is hereby amended to read in its entirety as follows:

To the knowledge of the Reporting Persons:

(a) (1) Hapoalim is the beneficial owner of 4,652,549 Ordinary Shares, including 3,940,626 Ordinary Shares issuable upon conversion of its currently convertible capital notes, 170,374 Ordinary Shares issuable upon exercise of currently exercisable warrants (including warrants to purchase 140,487 Ordinary Shares held by Hapoalim and a warrant to purchase 29,887 Ordinary Shares held by Tarshish, its wholly-owned subsidiary) expiring on December 31, 2018 and 199,665 Series 9 Warrants expiring on June 27, 2017. Hapoalim (and Tarshish s) ownership, as aforesaid collectively represents approximately 6.7% of the Ordinary Shares outstanding as at February 15, 2015, as reported by Tower to the Commission in its March 2015 Proxy Statement, and calculated in accordance with rule 13d-3(d)(1)(i).

(2) Tarshish is the beneficial owner of 29,887 Ordinary Shares issuable upon exercise of its currently exercisable warrant, representing less than 0.01% of the Ordinary Shares outstanding as at February 15, 2015 as reported by Tower to the Commission in its March 2015 Proxy Statement, and calculated in accordance with rule 13d-3(d)(1)(i).

(b) Hapoalim has sole voting and dispositive power over 4,622,662 Ordinary Shares, including 3,940,626 Ordinary Shares issuable upon conversion of currently convertible capital notes, 140,487 Ordinary Shares issuable upon exercise of currently exercisable warrants expiring on December 31, 2018 and 199,665 Series 9 Warrants expiring on June 27, 2017. Hapoalim and Tarshish share voting and dispositive power over

29,887 Ordinary Shares issuable upon exercise of a currently exercisable warrant held by Tarshish expiring on December 31, 2018.

(c) Save for the following, neither Hapoalim nor Tarshish has effected any transactions in the Ordinary Shares during the past 60 days:

Set forth below are the dates of sale, number and average price per share of Ordinary Shares sold by Hapoalim on NASDAQ.

| Date | Number of Shares | Price Per Share |
|---|---|---|
| January 6, 2015 | 2,043 | US $ 13.0615 |
| January 8, 2015 | 20,000 | US $ 13.0612 |
| January 12, 2015 | 20,000 | US $ 13.3894 |
| January 13, 2015 | 20,000 | US $ 13.4170 |
| January 14, 2015 | 20,000 | US $ 13.3660 |
| January 15, 2015 | 20,000 | US $ 13.4140 |
| January 20, 2015 | 8,100 | US $ 13.4842 |
| March 4, 2015 | 80,000 | US $ 17.7000 |
| March 5, 2015 | 80,000 | US $ 17.7300 |
| March 6, 2015 | 80,000 | US $ 17.6883 |
| March 9, 2015 | 5,100 | US $ 17.3000 |

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Set forth below are the dates of sale, number and average price per warrant of Series 9 Warrants sold by Hapoalim in over-the-counter transactions not effected on any stock exchange. Each Series 9 Warrant permits the holder thereof to purchase an Ordinary Share at a price of US $7.33 per share until June 27, 2017. Although all sales were made in New Israel Sheqels ( **NIS** ), the U.S. Dollar Price set forth below reflects conversion of such NIS Price into U.S. Dollars based on the relevant Representative Rate published by the Bank of Israel:

| Date | Number of Series 9 Warrants | Price Per Warrant | |
|---|---|---|---|
| January 28, 2015 | 30,000 | US $ | 8.2741 |
| January 29, 2015 | 50,000 | US $ | 8.7620 |
| March 3, 2015 | 148,000 | US $ | 10.0628 |
| March 4, 2015 | 10,000 | US $ | 10.6099 |

**Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer**

1. The section entitled Registration Rights Agreement is hereby amended as follows:

1.1. In the first paragraph, subclause (c) of the last sentence thereof is hereby amended to read in its entirety as follows:

(c) upon exercise of any of the warrants issued to any of the Reporting Persons in 2003, 2005, 2007, 2009, 2010, 2011 and 2014 (see Warrants below).

1.2. To add to the last paragraph thereof the following words and the 2014 Amendment to the Amended and Restated Registration Rights Agreement between Tower and Hapoalim (Exhibit 18 to this Statement) immediately before the words which are each incorporated herein in their entirety by reference .

2. The section entitled Warrants is hereby amended as follows:

2.1. The following paragraph is hereby added before the final paragraph:

On October 27, 2014, in connection with a further amendment to the Facility Agreement which, *inter alia*, extended the Final Maturity Date thereunder to October 1, 2018, Tower (a) amended the 2003, 2007 and 2011 Warrants to extend the expiry date of each such Warrant to December 31, 2018; and (b) issued to Hapoalim a warrant to purchase 200,000 Ordinary Shares at a purchase price of US $10.50 per share, which may only be exercised during the period commencing January 1, 2017 and ending on December 31, 2018 (the **2014 Warrant** ).

2.2. The final paragraph is hereby amended to read in its entirety as follows:

The foregoing summary of the outstanding 2003, 2007, 2010 and 2014 Warrants is qualified in its entirety by reference to the Amended and Restated 2003 Warrant (Exhibit 5 to this Statement), the Amended and Restated 2007 Warrant (Exhibit 6 to this Statement), the 2011 Warrant (Exhibit 10 to this Statement), First Amendment to 2003 Warrant (Exhibit 11 to this Statement), First Amendment to 2007 Warrant (Exhibit 12 to this Statement), First Amendment to 2011 Warrant (Exhibit 13 to this Statement), Second Amendment to 2003 Warrant (Exhibit 14 to this Statement), Second Amendment to 2007 Warrant (Exhibit 15 to this Statement), Second Amendment to 2011 Warrant (Exhibit 16 to this Statement) and the 2014 Warrant (Exhibit 17 to this Statement).

3. The section entitled Facility Agreement is hereby amended to delete the words TIC and the Lead Investors each time they appear and to substitute therefor the words Kenon Holdings Ltd. and to delete 60% and substitute 30% therefor.

**Item 7. Material to be filed as Exhibits**

Item 7 is hereby amended to add the following Exhibits:

14. Second Amendment, dated October 27, 2014, to Amended and Restated Warrant originally issued on December 11, 2003 by Tower Semiconductor Ltd. to Tarshish Hahzakot Vehashkaot Hapoalim Ltd.

15. Second Amendment, dated October 27, 2014, to Amended and Restated Warrant originally issued on September 10, 2007 by Tower Semiconductor Ltd. to Bank Hapoalim B.M.

16. Second Amendment, dated October 27, 2014, to Warrant issued on September 1, 2011 by Tower Semiconductor Ltd. to Bank Hapoalim B.M.

17. Warrant, dated October 27, 2014, granted by Tower Semiconductor Ltd. to Bank Hapoalim B.M.

18. 2014 Amendment, dated October 27, 2014, to Amended and Restated Registration Rights Agreement between Tower Semiconductor Ltd. and Bank Hapoalim B.M., dated September 25, 2008.

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**Signature**

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

March 11, 2015
Date

/s/ Dan Alexander Koller /s/ Ronen Meidan

Signature

Bank Hapoalim B.M.

Dan Alexander Koller, Head of Financial Markets Division | Ronen Meidan, Head of Equity Investments Unit

Name/Title

March 11, 2015
Date

/s/ Dan Alexander Koller /s/ Ronen Meidan

Signature

Tarshish Hahzakot Vehashkaot Hapoalim Ltd.

Dan Alexander Koller, Chairman of Board of Directors | Ronen Meidan, Director

Name/Title

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**SCHEDULE A**

**Information Regarding Senior Officers and Directors of Bank Hapoalim B.M.**

**Board of Directors**

| Name | Address | Principal Occupation | Citizenship |
|---|---|---|---|
| Yair Seroussi | 63 Yehuda Halevi St., Tel Aviv, Israel | Chairman of the Board of Bank Hapoalim B.M. | Israel |
| Irit Izakson | 63 Yehuda Halevi St., Tel Aviv, Israel | Chairman of the Boards of Directors of the credit-card companies in the Bank Group, director in various companies | Israel |
| Mali Baron | 63 Yehuda Halevi St., Tel Aviv, Israel | Director of companies | Israel |
| Amnon Dick | 63 Yehuda Halevi St., Tel Aviv, Israel | Businessman, partner in communications companies, consultant and director. CEO of Adsensory Ltd. | Israel |
| Meir Wietchner | 63 Yehuda Halevi St., Tel Aviv, Israel | Head of Global strategy for the Arison Group and Chairman of the Miya Group | Israel |
| Nir Zichlinskey | 63 Yehuda Halevi St., Tel Aviv, Israel | President and CEO of SRI Global Group | Israel |
| Imri Tov | 63 Yehuda Halevi St., Tel Aviv, Israel | Director of companies; business consultant and researcher in defense economics | Israel |
| Yaacov Peer | 63 Yehuda Halevi St., Tel Aviv, Israel | Financial and managerial consultant for small businesses | Israel |

| | | | |
|---|---|---|---|
| Efrat Peled | 63 Yehuda Halevi St., Tel Aviv, Israel | Chairman of the Board and CEO of the following companies: Arison Holdings (1998) Ltd.,<br><br>Arison Investments Ltd.,<br><br>Arison Sustainability Ltd.,<br><br>Arzaf Ltd., Arzaf B (97) Ltd., and Arzaf D Ltd. and CEO of the following companies: SAFO LLC and Arzaf C Ltd. | Israel |
| Nehama Ronen | 63 Yehuda Halevi St., Tel Aviv, Israel | Chairperson of the Board of Directors of Maman Cargo Terminals Ltd. and Recycling Corporation (ELA) | Israel |
| Moshe Koren | 63 Yehuda Halevi St., Tel Aviv, Israel | Banking and financial consultant | Israel |
| Dafna Schwartz | 63 Yehuda Halevi St., Tel Aviv, Israel | Professor and member of staff at the Department of Business Administration, Faculty of Management, Ben Gurion University of the Negev, Economic and business consultant in Israel and overseas | Israel |
| Ido Stern | 63 Yehuda Halevi St., Tel Aviv, Israel | Deputy General Manager and legal counsel at Arison Holdings (1998) Ltd. and Arison Investments Ltd. | Israel |
| Yair Tauman | 63 Yehuda Halevi St., Tel Aviv, Israel | Professor at the Interdisciplinary Center Herzliya and at the State University of New York at Stony Brook | Israel |
| Yosef Yarom | 63 Yehuda Halevi St., Tel Aviv, Israel | Lecturer on auditing in the business sector at Haifa University | Israel & Argentina |

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**Senior Officers**

| Name | Business Address | Principal Occupation | Citizenship |
|---|---|---|---|
| Zion Kenan | 63 Yehuda Halevi St., Tel Aviv, Israel | President and Chief Executive Officer | Israel |
| Ari Pinto | 63 Yehuda Halevi St., Tel Aviv, Israel | Head of Retail Banking | Israel |
| Jacob Orbach | 63 Yehuda Halevi St., Tel Aviv, Israel | Head of Corporate Banking | Israel |
| Efrat Yavetz | 63 Yehuda Halevi St., Tel Aviv, Israel | Head of Human Capital, Advising, and Resources | Israel |
| Ofer Levy | 63 Yehuda Halevi St., Tel Aviv, Israel | Chief Accountant | Israel |
| Dan Alexander Koller | 63 Yehuda Halevi St., Tel Aviv, Israel | Head of Financial Markets | Israel |
| Ilan Mazur | 63 Yehuda Halevi St., Tel Aviv, Israel | Chief Legal Adviser | Israel |
| Yadin Antebi | 63 Yehuda Halevi St., Tel Aviv, Israel | Chief Financial Officer | Israel |
| Ron Weksler | 63 Yehuda Halevi St., Tel Aviv, Israel | Head of Corporate Strategy | Israel |
| Amir Aviv | 63 Yehuda Halevi St., Tel Aviv, Israel | Head of International Banking | Israel |
| Zeev Chayu | 63 Yehuda Halevi St., Tel Aviv, Israel | Head of Internal Audit in Israel and abroad | Israel |
| Yoram Weissbrem | 63 Yehuda Halevi St., Tel Aviv, Israel | Corporate Secretary | Israel |
| Tsahi Cohen | 63 Yehuda Halevi St., Tel Aviv, Israel | Chief Risk Officer | Israel |
| Avi Kochva | 63 Yehuda Halevi St., Tel Aviv, Israel | Head of Information Technology | Israel |

**PRINCIPAL HOLDERS OF THE**

**ISSUED SHARE CAPITAL OF BANK HAPOALIM B.M.**

| NAME | % OF CAPITAL |
|---|---|
| ARISON HOLDINGS (1998) LTD | 20.2% |
| SALT OF THE EARTH LTD | 0.6% |

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**Arison Holdings (1998) Ltd. - Director Information**

| Name | Address | Citizenship | Principal Occupation |
|---|---|---|---|
| Irit Izakson | 63 Yehuda Halevi St., Tel-Aviv, Israel | Israel | director in various companies |
| Shari Arison | 23 Shaul Hamelech Blvd., Tel-Aviv, Israel | Israel & USA | Investor |
| James M. Dubin | c/o Paul Weiss, 1285 Avenue of the Americas, New York, NY | USA | Attorney - Paul Weiss |
| Jason Arison | 23 Shaul Hamelech Blvd., Tel-Aviv, Israel | Israel & USA | Chairman, The Ted Arison Family Foundation (Israel) Ltd. |
| David Arison | 23 Shaul Hamelech Blvd., Tel-Aviv, Israel | Israel & USA | Officer of MIYA, an Arison Group Company |
| Cassie Arison | 23 Shaul Hamelech Blvd., Tel-Aviv, Israel | Israel & USA | Investor |
| Efrat Peled | 23 Shaul Hamelech Blvd., Tel-Aviv, Israel | Israel | Chairman of the Board and CEO of Arison Holdings (1998) Ltd., CEO and director in various companies |
| Daniel Arison | 23 Shaul Hamelech Blvd., Tel-Aviv, Israel | Israel & USA | Investor |

**Salt Of The Earth Ltd. - Director Information**

| Name | Address | Citizenship | Principal Occupation |
|---|---|---|---|
| Efrat Peled | 23 Shaul Hamelech Blvd., Tel-Aviv, Israel | Israel | Chairman of the Board and CEO - Arison Holdings (1998) Ltd., CEO and director in various |

| | | | |
|---|---|---|---|
| | | | companies |
| Dovik Tal | Atlit, Israel | Israel | CEO - Israel Salt Industries Ltd. |
| Moshe Lahmani | 23 Shaul Hamelech Blvd., Tel-Aviv, Israel | Israel | CFO - Arison Holdings (1998) Ltd. |
| Ido Stern | 63 Yehuda Halevi St., Tel Aviv, Israel | Israel | Deputy General Manager and legal counsel at Arison Holdings (1998) Ltd. and Arison Investments Ltd. |

**Information Regarding Senior Officers and Directors**

**of Tarshish Hahzakot Vehashkaot Hapoalim Ltd.**

**Board of Directors**

| Name | Address | Principal Occupation | Citizenship |
|---|---|---|---|
| Eran Zimmerman | 11 Hanegev St., Tel-Aviv, Israel | CEO (Tarshish). SVP capital management - Bank Hapoalim B.M. | Israel |
| Dan Alexander Koller | 63 Yehuda Halevi St., Tel Aviv, Israel | Head of Financial Markets - Bank Hapoalim B.M. | Israel |
| Yoram Weissbrem | 63 Yehuda Halevi St., Tel Aviv, Israel | Corporate Secretary of Bank Hapoalim B.M. | Israel |
| Ronen Meidan | 63 Yehuda Halevi St., Tel Aviv, Israel | Head of Equity Investment Unit- Bank Hapoalim B.M. | Israel |
| Arie Stainfeld | 62 Yehuda Halevi St., Tel Aviv, Israel | Head of Exposures and Risk Management Department- Bank Hapoalim B.M. | Israel |
| Guy Kalif, C.P.A. (Isr) | 11 Hanegev St., Tel-Aviv, Israel | Manager, Comptroller Division - Bank Hapoalim B.M. | Israel |