

ROBOGROUP TEK LTD
Form 6-K
November 26, 2003

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

F O R M 6-K

**REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR
15d-16 UNDER THE SECURITIES EXCHANGE ACT OF 1934**

For the month of November, 2003

ROBOGROUP T.E.K. LTD.

(Name of Registrant)

Rehov Hamelacha 13, Afeq Industrial Estate, Rosh HaAyin 48091 Israel
(Address of Principal Executive Office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): _____

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): _____

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82- _____

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ROBOGROUP T.E.K. LTD.
(Registrant)

By: /s/ Haim Schleifer

Haim Schleifer
General Manager

Date: November 20, 2003

ROBOGROUP T.E.K. LTD.

November 18, 2003

NOTICE OF 2003 ANNUAL GENERAL MEETING OF SHAREHOLDERS

RoboGroup T.E.K. Ltd. Shareholders:

You are cordially invited to attend the Annual General Meeting of Shareholders on Tuesday, December 30, 2003 at 10:00 a.m., the Daniel Hotel, 60 Ramot Yam Street, Herzliya-Pittuach, Israel. If you require directions to the Meeting, please call 972-9-952-8282.

The purpose of this year's meeting is to consider and vote upon the following matters:

1. The election of seven directors for terms expiring in 2004;
2. Authorization for the Board of Directors to appoint the Chairman of the Board of Directors, who will serve concurrently as our Chief Executive Officer;
3. Ratification of the appointment of Chaikin, Cohen, Rubin & Gilboa as our independent auditors until the end of the next Annual General Meeting of Shareholders and authorization for the Board of Directors to fix their remuneration;
4. Two proposals submitted and presented by a shareholder; and
5. Consideration and receipt of our Directors' Report and the Consolidated Financial Statements for the year ended December 31, 2002.

You can vote by proxy either by mail or in person. If voting by mail, the proxy must be received by our transfer agent or at our registered office in Israel at least 48 hours prior to the meeting to be validly included in the tally of ordinary shares voted at the meeting. Detailed proxy voting instructions are provided both in the Proxy Statement and on the enclosed proxy card.

Sincerely,
Rafael Aravot, Chairman of the Board and CEO

Edgar Filing: ROBOGROUP TEK LTD - Form 6-K

PROXY STATEMENT

This statement is being furnished in connection with the solicitation of proxies on behalf of the Board of Directors of RoboGroup T.E.K. Ltd. (the Company) to be voted at the Annual General Meeting of Shareholders, or the Meeting, to be held on December 30, 2003 and any adjournment thereof. Shareholders will be asked to vote upon: (i) the election of seven directors; (ii) authorization for the Board of Directors to appoint the Chairman of the Board of Directors, who will serve concurrently as our Chief Executive Officer; (iii) the appointment of Chaikin, Cohen, Rubin & Gilboa as our independent auditors and authorization for the Board of Directors to fix their remuneration; (iv) two proposals submitted and presented by a shareholder; and (v) the consideration and receipt of our Directors' Report and the Consolidated Financial Statements for the year ended December 31, 2002.

Our 2002 Annual Report on Form 20-F, including our audited financial statements for the fiscal year ended December 31, 2002, and the proxy card enclosed with this Proxy Statement are being mailed to shareholders on or about November 20, 2003.

As of November 20, 2003, the record date for determination of shareholders entitled to vote at the Meeting, there were outstanding 11,237,352 ordinary shares. Each ordinary share entitles the holder to one vote. The ordinary shares have a par value of NIS 0.5 per share. The presence of two shareholders, holding at least one third of our share capital voting rights, represented in person or by proxy at the Meeting, will constitute a quorum. Except with respect to Proposal No. 2, an affirmative majority of the votes cast is required to approve each of the proposals to be presented at the Meeting. Proposal No. 2 requires the affirmative vote of the holders of a majority of the ordinary shares represented at the Meeting, provided that the affirmative majority of the votes will include at least two thirds of the ordinary shares represented at the Annual Meeting in person or by proxy that are held by non-controlling shareholders. The tally of the votes for Proposal 2 will not include any abstaining votes.

Shares eligible to be voted and for which a proxy card is properly signed and returned at least 48 hours prior to the beginning of the Meeting will be voted as directed. If directions are not given or directions are not in accordance with the options listed on a signed and returned proxy card, such shares will be voted FOR each proposition for which the Board of Directors recommends a vote FOR. Unsigned or unreturned proxies, including those not returned by banks, brokers, or other record holders, will not be counted for quorum or voting purposes. You may revoke your proxy at any time prior to the exercise of authority granted in the proxy by giving a written notice of revocation to our Corporate Secretary, by submitting a subsequently dated, validly executed proxy, or by voting in person.

You may vote by submitting your proxy with voting instructions by mail if you promptly complete, sign, date and return the accompanying proxy card in the enclosed self-addressed envelope to our transfer agent or to our registered office at 13 Hamelacha Street, Rosh Ha Ayin, Israel. The proxy card must be received at least 48 hours prior to the Meeting in order to be validly included in the tally of the ordinary shares at the Meeting.

ELECTION OF DIRECTORS WITH TERMS EXPIRING IN 2004

(Item 1 on the Proxy Card)

The Board of Directors proposes the election of seven directors: Messrs. Rafael Aravot, Noam Kra-Oz, Haim Schleifer, Gideon Missulawin, Menachem Zenziper, Arie Kraus and Alex Tal, to hold office for one year until the Annual General Meeting of Shareholders to be held in 2004 and until their successors are elected and qualified. Each nominee is currently serving as a member of our Board of Directors. Should any of the seven nominees be unavailable for election, the proxies will be voted for a substitute nominee designated by the Board of Directors. None of the nominees are expected to be unavailable.

Under the Israeli Companies Law (the Companies Law), the affirmative vote of the holders of a majority of the ordinary shares represented at the Meeting in person or by proxy and entitled to vote and voting thereon will be necessary for the election of directors whose terms will expire in 2004.

Nominees For Election As Director For Terms Expiring in 2004

Set forth below is information about each nominee, including age, position(s) held with our Company, principal occupation, business history and other directorships held.

Rafael Aravot, 49, has served as Chief Executive Officer and Chairman of the Board since February 2001 and previously was our Managing Director since our formation in 1982. Since 1999 Mr. Aravot has served as a member of our Compensation Committee and since 2002 he has served on our Financial Committee. Mr. Aravot is a director of Yaskawa Eshed Technology Ltd., MemCall LLC and Memcall Ltd. Mr. Aravot received an M.B.A. from Tel Aviv University and a B.Sc. degree in Mechanical Engineering from the Technion Israel Institute of Technology in Haifa.

Edgar Filing: ROBOGROUP TEK LTD - Form 6-K

Noam Kra-Oz, 49, has been a Managing Director since February 2001 and previously was a Joint Managing Director from 1992 until February 2001. He has also served as a director since December 1983. Mr. Kra-Oz is a director of Yaskawa Eshed Technology Ltd., Intelitek Inc., Eshed Robotec B.V., Robotec Technologies Ltd. and Computras Computerized Training Systems Ltd. Mr. Kra-Oz received a B.Sc. in Pharmacology from the Hebrew University of Jerusalem.

Haim Schleifer, 49, has been a Managing Director since February 2001 and previously was a Joint Managing Director of Research and Development and of our Educational Sector since 1996. Mr. Schleifer is director of MemCall LLC, Memcall Ltd. and Eshed Robotec B.V. Mr. Schleifer received an M.B.A. from Tel Aviv University and a B.Sc. in Electronic Engineering from the Technion Israel Institute of Technology in Haifa.

- 2 -

Gideon Missulawin, 63, has been a director since 1983. He served as Chairman of the Board from December 1985 until February 2001. Since 1999 Mr. Missulawin has served as a member of our Compensation Committee and since 2002 he has served on our Financial Committee. Mr. Missulawin is a director of Vernon Investments Company Ltd. and Newcorp. Ltd. and a number of foreign companies, mainly in South Africa, some of which are family companies. Mr. Missulawin holds a B.Sc. in Chemical Engineering from the University of Witwatersrand in Johannesburg, South Africa, a Master of Business Leadership (MBL) from the University of South Africa and also undertook postgraduate work at the Weitzman Institute of Science in Rehovot, Israel. He is a graduate member of the Institution of Chemical Engineers in England, a member of the South African Institute of Chemical Engineers and a Professional Engineer registered with the South African Council for Professional Engineers.

Menachem Zenziper, 59, has been a director since 1983. He has served on our Financial Committee since 2002. Mr. Zenziper serves as a director of Zenziper Company For Import of Grain and Fodder Ltd. Mr. Zenziper received a B.Sc. in Industrial Engineering and Master Degree in Management Science from the Technion Israel Institute of Technology, Haifa.

Arie Kraus, 47, has been a director since December 1983. Until 1997 Mr. Kraus was responsible for our new building project in Rosh Ha Ayin. Mr. Kraus received a B.Sc. in Production Engineering from Tel Aviv University.

Alex Tal, 57, has been a director since January 2001. From July 2000 until June 2001 he served as manager of our New Ventures Sector. Since 2002 Mr. Tal has served on our Audit Committee. From 1996 until January 2000, Mr. Tal served as the C.N.O of the Israeli Navy. From 1993 until 1995, he was the Representative of the Israeli Ministry of Defense and the Israeli Defense Forces in Chile.

The Board of Directors recommends a vote FOR the election of the seven directors named above.

Security Ownership of Certain Beneficial Owners and Management

The following table sets forth information as of November 20, 2003 regarding the beneficial ownership by (i) all shareholders known to us to own beneficially more than 5% of our ordinary shares, (ii) each director and (iii) all directors and executive officers as a group:

- 3 -

Name	Number of Ordinary Shares Beneficially Owned ⁽¹⁾	Percentage of Outstanding Ordinary Shares ⁽²⁾
Rafael Aravot	896,042 ⁽⁴⁾	7.9%
Amiram Dagan	10,000 ⁽⁵⁾	--
Tami Gotlieb	10,000 ⁽⁵⁾	--
Noam Kra-Oz ⁽³⁾	718,478 ⁽⁴⁾	6.4%
Arie Kraus ⁽³⁾	731,177 ⁽⁵⁾	6.5%
David and Judith Israel-Rosen	912,700 ⁽⁶⁾	8.1%
Gideon Missulawin	712,362 ⁽⁵⁾	6.3%
Haim Schleifer	719,412 ⁽⁴⁾	6.4%
Alex Tal	10,000 ⁽⁵⁾	--

Name	Number of Ordinary Shares Beneficially Owned ⁽¹⁾	Percentage of Outstanding Ordinary Shares ⁽²⁾
Menachem Zenziper	1,241,960 ⁽⁵⁾	11.0%
All directors as a group (9 persons)	5,049,431 ⁽⁷⁾	43.9%

- (1) Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission and generally includes voting or investment power with respect to securities. Ordinary shares relating to options currently exercisable or exercisable within 60 days of November 20, 2003 are deemed outstanding for computing the percentage of the person holding such securities but are not deemed outstanding for computing the percentage of any other person. Except as indicated by footnote, and subject to community property laws where applicable, the persons named in the table have sole voting and investment power with respect to all shares shown as beneficially owned by them.
- (2) Based on 11,237,352 ordinary shares issued and outstanding as of November 20, 2003 and includes 494,321 shares held as treasury stock.
- (3) Mr. Kraus and Mr. Kra-Oz are brothers.
- (4) Includes 18,000 shares that are subject to currently exercisable options.
- (5) Includes 10,000 shares that are subject to currently exercisable options.
- (6) Based on information provided to us by Mr. David Israel-Rosen, he and his wife, Ms. Judith Israel-Rosen beneficially own 912,700 of our ordinary shares, including 12,500 shares subject to options granted to Mr. Israel-Rosen in 2001.
- (7) Includes 114,000 shares that are subject to currently exercisable options.

Executive Compensation

During the year ended December 31, 2002, the aggregate remuneration paid to our directors as a group (nine persons) was approximately \$700,000, and the aggregate remuneration paid to our officers as a group (five persons) was approximately \$440,000. Such amount includes pension, retirement and similar benefits. During the year ended December 31, 2002, we paid each of our outside directors approximately \$445 per month and \$276 per meeting attended for serving in such capacity. We provide some of our executive officers with automobiles at our expense.

- 4 -

**AUTHORIZATION FOR THE BOARD OF DIRECTORS TO APPOINT A CHAIRMAN
WHO WILL SERVE CONCURRENTLY AS OUR CHIEF EXECUTIVE OFFICER
(Item 2 on the Proxy Card)**

The Israeli Companies Law provides that the chairman of the board of directors of a public company may not hold the office of chief executive officer or exercise any of the powers of the chief executive officer (as determined by the Israeli Companies Law). However, the Israeli Companies Law also provides that the general meeting of shareholders may authorize the chairman of the board to serve as the chief executive officer of such public company for a period of up to three years, commencing on the date of such authorization. The Board of Directors believes that it is in the best interests of our company and its shareholders that it be granted authority to re-appoint Mr. Rafael Aravot as Chairman of the Board of Directors, while he concurrently serves as our Chief Executive Officer. The authorization will be for a term that will not exceed three years commencing on the date of such shareholder authorization.

It is therefore proposed that at the Annual General Meeting the shareholders adopt the following resolution:

RESOLVED, that the Board of Directors is authorized to appoint Mr. Aravot as the Chairman of the Board of Directors, who will serve concurrently as our Chief Executive Officer for a term that will not exceed three years commencing on the date of such

AUTHORIZATION FOR THE BOARD OF DIRECTORS TO APPOINT A CHAIRMAN WHO WILL SERVE CONCUR

authorization.

Under the Companies Law the affirmative vote of the holders of a majority of the ordinary shares represented at the Meeting, provided that the affirmative majority of the votes will include at least two thirds of the ordinary shares represented at the Annual Meeting in person or by proxy that are held by non-controlling shareholders. The tally of the votes will not include any abstaining votes.

The Board of Directors recommends a vote FOR the foregoing resolution.

APPOINTMENT OF AUDITORS
(Item 3 on the Proxy Card)

Chaikin, Cohen, Rubin & Gilboa, Certified Public Accountants, have served as our auditors since our formation in 1982. Chaikin, Cohen, Rubin & Gilboa have no relationship with us or any of our affiliates except as auditors. As a result of Chaikin, Cohen, Rubin & Gilboa's knowledge of our operations and reputation in the auditing field, the Board of Directors is convinced that this firm has the necessary personnel, professional qualifications and independence to act as our auditors. The Board of Directors has again selected Chaikin, Cohen, Rubin & Gilboa as our auditors for our financial statements for the year ended December 31, 2003, and recommends that the shareholders ratify and approve the selection. The remuneration of Chaikin, Cohen, Rubin & Gilboa shall be fixed by the Board of Directors according to the volume and nature of their services.

- 5 -

The following resolution will be offered by the Board of Directors at the Meeting:

RESOLVED, that the appointment of Chaikin, Cohen, Rubin & Gilboa by our Board of Directors to conduct the annual audit of our financial statements for the year ended December 31, 2003, and to authorize the Board of Directors to fix their remuneration is ratified, confirmed and approved.

The affirmative vote of the holders of a majority of the ordinary shares present at the Meeting in person or represented by proxy entitled to vote and voting thereon will be necessary for shareholder approval of the foregoing resolution.

The Board of Directors recommends a vote FOR the foregoing resolution.

PROPOSALS BY A SHAREHOLDER
(Items 4(a) and 4(b) on the Proxy Card)

Mr. David Israel-Rosen, a shareholder, has notified us that he intends to present the following proposals at the Meeting:

Proposal 4(a):

Shareholders agree to appoint examiner to investigate allegations of wrong doing and self dealing by insiders. Specifically the examiner will evaluate potential misrepresentations in the Oxley statements signed by key Robo officers.

The Company's Statement in Opposition to Proposal 4(a)

The Board of Directors and Audit Committee of the Company have previously been contacted by Mr. Israel-Rosen. The Audit committee met with Mr. Israel-Rosen, listened to his arguments and strongly urged Mr. Israel-Rosen to provide the committee with any evidence he may have of wrongdoing and self-dealing by insiders of the Company. Though several requests for such evidence have been made, no evidence was submitted by Mr. Israel-Rosen. The Audit Committee has reviewed Mr. Israel-Rosen's accusations and has not found any indication of any wrongdoing or improper self-dealing. Based on the foregoing and Mr. Israel-Rosen's previous threats both oral and in writing to bring the place down, the Company believes that this proposal is self-serving and detrimental to the Company and its shareholders.

The Board of Directors also strongly rejects any allegations regarding potential misrepresentations in the Oxley statements signed by key Robo officers.

Recommendation of the Board of Directors

The Board of Directors recommends a vote AGAINST the foregoing resolution.

Proposal 4(b):

All related party transactions be put for a vote.

The Company's Statement in Opposition to Proposal 4(b)

Because there are no pending interested party transactions, this resolution is not relevant for this Annual General Meeting. The Company brings any transaction which requires shareholder approval before a general meeting of shareholders prior to the execution of such transaction and not retrospectively.

Recommendation of the Board of Directors

The Board of Directors recommends a vote AGAINST the foregoing resolution.

PROPOSAL NO. 5

**CONSIDER AND RECEIVE THE DIRECTORS' REPORT
AND CONSOLIDATED FINANCIAL STATEMENTS**

(Item 5 on the Proxy Card)

At the Meeting, our Directors' Report and the Consolidated Financial Statements for the year ended December 31, 2002 will be presented. The affirmative vote of the holders of a majority of the ordinary shares present at the Meeting in person or represented by proxy entitled to vote and voting thereon will be necessary to consider and receive our Directors' Report and the Consolidated Financial Statements for the year ended December 31, 2002.

The Board of Directors recommends a vote FOR the consideration and receipt of the Directors' Report and Consolidated Financial Statements for the year ended December 31, 2002.

The Board of Directors knows of no matters, other than those described in the attached Notice of Annual Meeting, which are to be brought before the Meeting. If other matters properly come before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote such proxy in accordance with their judgment on such matters.

By Order of the Board of Directors,

BY: /S/ Ophra Levy-Mildworth

Ophra Levy-Mildworth
Secretary

Dated: November 18, 2003