

Cellcom Israel Ltd.
Form 6-K
February 28, 2007

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

For February 28, 2007

Commission File Number: 001-33271

CELLCOM ISRAEL LTD.

10 Hagavish Street
Netanya, Israel 42140

(Address of principal executive offices)

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 the registrant by furnishing the information contained in this Form 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):

Not Applicable

**CELLCOM ISRAEL LTD. ANNOUNCES IT WAS SERVED WITH A LAWSUIT AND
REQUEST FOR CERTIFICATION OF THE LAWSUIT AS A CLASS ACTION**

Netanya, Israel □ **February 28, 2007** □ Cellcom Israel Ltd. (NYSE: CEL) (the "Company"), announced that on February 27, 2007, it was served with a lawsuit and a request for certification of the lawsuit as a class action, which were filed against the Company in the District Court of Tel-Aviv, by a plaintiff who claims to be a subscriber of the Company.

The plaintiff claims that the Company unlawfully collected Value Added Tax from its subscribers who are residents of the city of Eilat in Israel and that the Company misled and failed to disclose same.

If the lawsuit is certified as a class action, the amount claimed is estimated by the plaintiff to be approximately NIS 33 million, calculated by multiplying an alleged damage of NIS 6,600 per subscriber by the number of the subscribers allegedly damaged, estimated by the plaintiff to be at least 5,000. The plaintiff is maintaining the right to increase the sum after receiving further information.

At this preliminary stage, the Company is unable to assess the lawsuit's chances of success.

It is noted that on May 2001 a lawsuit and a request for certification of the lawsuit as a class action, alleging, inter alia, that the Company unlawfully collected Value Added Taxes from its subscribers who were residents of or while staying at the city of Eilat in Israel, were denied with the consent of the plaintiffs therein.

About Cellcom Israel Ltd.

Cellcom is the leading Israeli cellular company; Cellcom entered the market in 1994 and today provides services to more than 2.8 million subscribers representing approximately 34% market share. Cellcom offers its subscribers a broad range of value added services including video streaming services, JAVA games, Multi Media Messages, content and multimedia services and more. In addition, Cellcom offers a wide range of cellular telephony services to both the private and business sectors including virtual private network (VPN), global roaming, voice-activated dialing and conference calling. Cellcom operates UMTS/HSDPA, GSM/GPRS/EDGE and TDMA networks. Cellcom also offers landline transmission and data services to business customers and telecommunications operators and, since July 2006, offers landline telephony services to selected businesses. For additional information please visit the Company's website <http://www.cellcom.co.il/Cultures/en-US/InvestorRelations>.

Company Contact

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Investor Relations Contact

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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.

CELLCOM ISRAEL LTD.

Date: February 28, 2007

By: /s/ Liat Menahemi Stadler

Name: Liat Menahemi Stadler

Title: General Counsel