

Annual General Meeting on 21.6.06

Below are the resolutions of the annual general meeting on 21.6.06:

1. Appointment of accountants for 2006

To approve the appointment of Somekh Chaikin as the accountants of the Company for 2006 and to authorize the Board of Directors to set their fees.

2. Election of directors

To elect the following as new directors in the Company:

Michael Grabiner

Dov Weissglas (to be elected by the Board as Chairman)

Zehavit Cohen (who has accounting and financial expertise)

Yoav Rubinstein

To re-elect the following serving directors:

Moshe Arkin

Pinchas Buchris

Ran Gottfried

Aryeh Saban

Menachem Inbar (who has accounting and financial expertise)

Adam Chesnoff

Kihara R. Kiarie

3. Approval of the terms of employment of the Chairman

To approve the terms of employment of Mr. Weissglas, who is expected to be elected Chairman, by the Board of Directors, as described in Appendix A to this document.

Appendix "A"

Terms of employment of Adv. Dov Weissglas as Chairman of the Board of Directors

1. Adv. Weissglas ("the Chairman") will be employed under a personal employment agreement effective from 1 June, 2006. (from 1 June, 2006 until his appointment as director and election as Chairman, during the month of June 2006, Adv. Weissglas will be employed as a consultant).
2. The position of Chairman of the Board will be an 80% position. Accordingly, the principal office and place of work of the Chairman will be at the Company.
3. Throughout the term of his employment (and thereafter, as stated in Section 7 below), the Chairman shall not engage and shall not be involved in any manner or way, directly or indirectly, in subjects constituting any kind of conflict of interests, direct or indirect, with the interests of the Company and its business (for this matter, "the Company" – including any associated corporation/subsidiary of the Company with which the Company has a business relationship).

This undertaking of the Chairman shall apply also to the law firm in which the Chairman is a partner, and all the employees of that firm and his partners and the Chairman undertake to ensure full compliance with this undertaking.

4. In consideration to his employment in the Company, the Chairman shall be entitled to remuneration, as follows:
 - a. The monthly salary of the Chairman will be NIS 150,000 (linked to the Consumer Price Index published on 15 May, 2006).
 - b. The Chairman shall be entitled, once per calendar year, to a one-time payment in the amount of one million two hundred thousand shekels (linked to the Consumer Price Index published on 15 May, 2006). The payment will be made once a year for the preceding year, after publication of the financial statements for the preceding year. For part of a year (including 2006), the Chairman will receive a partial payment calculated accordingly.
 - c. The Chairman shall be entitled to vacation of 18 work-days and 18 days of sick leave. A senior employees' insurance plan will be maintained for him (including loss of earning capacity) under the general approval according to Section 14 of the Severance Pay Law and Study Fund program.
 - d. The Chairman shall be entitled to an appropriate Company car, a driver, reimbursement of expenses, telephone, cellular telephone and newspapers.
5. The commitment between the Company and the Chairman shall be for an undefined period, where each party has the right to bring the commitment to an end by giving three months' notice, without need to state the reasons for its/his decision.
6. Insofar as the Company has an employee stock options plan, the Chairman shall be included in it in accordance with the criteria of that plan.
7. After termination of the commitment for any reason whatsoever, whether by the Company or by the Chairman, the Chairman shall maintain a "cooling-off period" of six months, during which the provisions of limitation prescribed in Section 3 above shall apply.