

**RESOLUTIONS OF THE PLENUM BOARD OF DIRECTORS**  
**AND ITS COMMITTEES**

Resolution No. 7739

**Subject: INCREASE OF THE COMPANY'S REGISTERED CAPITAL**

Committee:	Annual General Meeting	Ref. No. 66	Date of resolution: 25/09/2003
		Approved: Plenum 440	Date of approval: 03/11/2003

To increase the registered capital of the Company by 250,000,000 ordinary shares of a par value of NIS 1 each, in accordance with the Government Companies Law. The increase of the capital is subject to the approval of the Government of Israel and the terms it sets.

Resolution No. 7738

**Subject: ELECTION OF DIRECTORS TO THE COMPANY**

Committee:	Annual General Meeting	Ref. No. 66	Date of resolution: 25/09/2003
		Approved: Plenum 440	Date of approval: 03/11/2003

3.1 To elect the candidates proposed to the meeting to serve as directors as follows: Ass'ad Amal, Aridor Yoram, Braun Dalit, Barak Avraham, Dissentchik Ido, Weinshel Shoshana, Vaknin Benny, Levy Shimon, Lifshitz Shilo, Mazar Miriam, Nomkin Rami, Kremerman-Meridor Rachel, Shechter Hava, Shloss Aliza.

3.2 Pursuant to Article 92 of the Company's bylaws, the directors will serve in their office until the earlier of the next annual general meeting (subject to letters of appointment that are and/or will be valid), or until the end of the term of their letters of appointment.

Resolution No. 7737

**Subject: APPOINTMENT OF SOMEKH CHAIKIN & CO. AS THE AUDITORS OF THE  
COMPANY FOR 2003**

Committee: Annual General Meeting

Ref. No. 66

Date of resolution: 25/09/2003

Approved: Plenum 440

Date of approval: 03/11/2003

2.1 The auditor who will audit the Company in 2003 will be the firm of Somekh Chaikin & Co. (hereinafter: the Auditor), and subject to the approval of the Auditors Appointment Committee, another firm will be added to audit the Company in 2003.

2.2 The appointment of the Auditor is subject to the approval of the Government Companies Authority in accordance with Section 44(A) of the Government Companies Law, 5735-1975.

2.3 The period of the audit will begin on 1.1 2003 and will end, subject to any law or other resolution adopted by the general meeting, on 31.12.2003.

2.4 The Board of Directors of the Company will apply everything stated in the circulars of the Government Companies Authority (published from time to time) concerning terms of employment of the Auditor, setting its fee, the financial statements (audited, reviewed, budgetary), Directors' Report and reports on performance of internal and external audit.

2.5 The Board of Directors will examine the report on hours worked and the fee submitted by the Auditor in light of the aforementioned Government Companies Authority circulars, with emphasis on the tariffs and distribution of the work among the professionals, and will submit the conclusions for the approval of the Government Companies Authority.

Resolution No. 7736

**Subject: DISCUSSION OF THE FINANCIAL STATEMENTS AND DIRECTORS' REPORT FOR  
2002**

Committee: Annual General Meeting

Ref. No. 66

Date of resolution: 25/09/2003

Approved: Plenum 440

Date of approval: 03/11/2003

1.1 The General Meeting notes the financial statements of the Company as at 31.12.2002 and thanks the CEO, the management, the employees and the Board of Directors for the achievements in 2002.

1.2 The General Meeting notes the Directors' Report on the state of the Company's affairs for the year 2002 and the management's review of the activities of the Company in 2002 presented to the meeting.