

This is an English convenience translation of the original Hebrew version. In case of any discrepancy, the binding version is the Hebrew original.

## **Israel Corp. Ltd.**

31 August 2010

### **Re: Convening of a Special General Meeting of the Company's Shareholders**

Notice is hereby given that an extraordinary general meeting of the shareholders of Israel Corp. Ltd. (hereinafter: the "**Company**") will convene on **Thursday, 16 September 2010, at 10:00 hours**, at the Company's offices at 23 Aranha Street, Millennium Tower, Tel-Aviv.

#### **On The Agenda:**

Approval of employment agreement between the Company and Mr. Amir Elstein as the Chairman of the board of directors of the Company, for a fixed period of three years, in effect from the date of Mr. Elstein's appointment (July 1<sup>st</sup> 2010), according to which Mr. Elstein's terms of tenure will include, *inter alia*, Monthly Salary in a sum of NIS 174,000 (linked to the Consumer Price Index), annual bonus after the publication of the Company financial results of each previous year according to the board of directors definite discretion (subject to the approvals required by law), rights in a case of terminating the employment relations; And the approval of the allocation of 12,000 (non-tradable) Option Warrants, convertible to up to 12,000 shares of the Company, in an Exercise Price of 3,119 NIS per share; all according to the terms of tenure and the warrants allocation terms detailed in the Immediate report published by the Company on 31 August 2010 (ref. no.: 2010-01-606381) presented here by way of reference.

#### **Wording of the proposed resolution:**

To approve the terms of tenure of the chairman of the Company's board of directors, Mr. Amir Elstein, in effect from July 1, 2010 and to approve the allocation the Option Warrants to the chairman of the Company's board of directors, as detailed in the Immediate report published by the Company on 31 August 2010 (ref. no.: 2010-01-606381) presented here by way of reference.

#### **Notice of the Convening of a General Meeting:**

Notice is hereby given that a special general meeting of the Company's shareholders shall be convened on Thursday, 16 September, 2010, at 10:00, at the Company's offices at 23 Aranha St., Millennium Tower, Tel Aviv, whose agenda comprises the passing of the resolutions as set forth above.

#### **The Majority required for the approval of the Resolution:**

The Majority required for the approval of the Resolution is an ordinary majority of the shareholders who are entitled to participate in the voting, who are present at the Meeting, whether in person or by proxy, without counting the votes of the abstainers..

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**The Effective Date:**

The effective date to determine the entitlement of a shareholder of the Company to vote at the Meeting, as stated in section 182 of the Companies Law, is on Tuesday, 7 September 2010.

**Proof of Ownership of the Share:**

In accordance with the Companies Regulations (Proof of Ownership of a Share for purposes of Voting at the General Meeting), 2000, a shareholder on behalf of whom a share is registered with a member of the Tel-Aviv Stock Exchange and included among the shares of the Company which are registered in the register of shareholders, in the name of a nominee company and who wishes to vote at the general meeting, should provide the Company with proof from the exchange member with whom the right to the share is registered, with regard to his ownership of the share, on the Determining Date, in accordance with form 1 of the Addendum to the said Regulations.

**Quorum:**

Pursuant to the Company's Articles, the quorum for the purpose of holding the Meeting shall be constituted when five shareholders who hold at least twenty five percent of the voting rights are present, in person or by proxy. Where a quorum is not present at the general meeting within half an hour of the time scheduled for commencing the meeting, the meeting will be adjourned by one week, to the same day, time and place, without any obligation to give the shareholders notice to this effect and if a quorum is not present at the adjourned meeting within half an hour of the time scheduled for the meeting, the shareholders present will constitute a quorum.

**Voting By Proxy:**

A shareholder, who is entitled to participate in and vote at the Meeting, may vote in person or by proxy, in accordance with that stated in the Company's Articles. A shareholder who wishes to vote by proxy, as set forth above, shall deposit the Power of Attorney at the Company's registered offices at least 48 hours prior to the time appointed for the Meeting or for the adjourned meeting.

**Inspection of Documents:**

The shareholders of the Company may inspect the full wording of the proposed resolutions, at the Company's offices, on Sundays through Thursdays, between 09:00 – 16:00, by prior coordination at tel.: 03-6844500.

**Sincerely yours,**

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