

Proposed Amendments To the AIG's By-Law

First /Article (2) of memorandum of association to which article (6) of the by-Law corresponds.

Original text : The AIG's head office shall be in the city of Gaza .
The AIG shall have the right to establish branches and agencies in any other area inside and outside the Palestinian territories . It shall have the right to move any of its branches or agencies to any other place inside and outside the country.

Proposed text : The AIG's head office shall be in the city of Jerusalem and it shall be temporarily in the city of Ram-Allah . It shall have the right to establish branches and agencies in any other Palestinian city or in any other country outside Palestine . It shall also have the right to move any of its branches or agencies to any place inside and outside Palestine .

Second / Article (33)

Original text :

Share Transfer Deed

I ,..... fromin consideration of an amount of paid to me by Mr./ (called transferee hereinafter) shall transfer by this deed (.....shares) to the said transferee in the Ahleia Insurance Group company LTD. psc from Number..... to Number

The said transferee or his heirs or his will executor or his legacy guardian or his transferees shall have the right to own this share or these shares in accordance with all the conditions under which I owned the share or shares when this deed was written .

I , the said transferee , shall agree by this deed to take possession of the said share or shares in accordance with the above mentioned conditions .
In witness whereof this deed is signed on of the month of of the year

Signature of transferor
Address of transferor
Witness to signature

Signature of transferee
Address of transferee
Witness to signature

Proposed text :

Share transfer deed

I, from..... (called transferor hereinafter) in consideration of an amount of

Paid to me by Mr.....(called transferee hereinafter) shall transfer by this deed (.....shares) to the said transferee in the Ahleia Insurance Group company LTD. psc

The said transferee or his heirs or his will executor or his legacy guardian or his transferees shall have the right to own this share or these shares in accordance with all the conditions under which I owned the share or shares when this deed was written.

I , the said transferee shall agree by this deed to take possession of the share or shares in accordance with the above-mentioned conditions .

In witness whereof this deed is signed on of the month of of the year

Signature of transferor
Address of transferor
Witness to signature

Signature of transferee
Address of transferee
Witness to signature

The signature is authenticated as true

Third / Article (38)

Original text : The person who has taken possession of a share shall have the right because of the death of its holder to get the dividends of that share but this shall not entitle him to exercise the rights of the company's members at its meetings before that share is registered in his name .

Proposed text : The person who has taken possession of a share shall have the right because of the death of its holder to get the dividends of that share but this shall not entitle him to exercise the rights of the company's members at its meetings before that share is registered in his name on the Palestine securities exchange.

Fourth / Article (58)

Original text :

1. The board of directors shall be the first planning authority in the company . Its duty shall be to formulate the company's policy , to draw up its plans, to approve the regulations applied by it to its internal and external relations and to make sure they are properly complied with .
2. The board of directors shall oversee the works of the company general manager . It shall also have the right to empower the general manager to exercise some of his powers where necessary .
3. The chairman of the board of directors or any of the board members empowered by him shall have the absolute right to go through any papers or documents or correspondence or accounts or information he deems it necessary to do so at any time he sees fit. No one shall have the right to object to this .

Proposed text:

1. The board of directors shall be the first planning authority in the company . Its duty shall be to formulate its policy , to draw up its plans, to approve the regulations applied by it to its internal and external relations and to ensure they are properly complied with .
2. The board of directors shall supervise the works of the company general manager . It shall also have the right to empower the general manager to exercise some of his powers where necessary .
3. The chairman of the board of directors or any of the board members empowered by him shall have the absolute right to go through any papers or documents or correspondence or accounts or information he deems it necessary to do so at any time he sees fit . No body shall have the right to object to this .
4. The board of directors shall have the right to make a decision to change or move the company's head office .

Fifth: Article (70)

Original text :

1. The chairman and members of the board of directors shall be given a reward of not more than 10 % of the profits to be distributed to shareholders as per the number of sessions attended by a member during the financial year . Any member's share of the total reward should not exceed his relative share of the total number of members .

2. The board of directors shall have the right to decide to pay a transport allowance of not more than US \$ 5000(US \$ Five thousand) to the board members to attend the board sessions and the meetings of the general assembly as per the number of sessions attended by a member during the single financial year .

Proposed text:

1. The members of the board of directors shall be given a reward of not more than 10 % of the profits to be distributed to shareholders as per the number of sessions attended by a member during the financial year. Any member's share of the total reward should not exceed his relative share of the total number of members .
2. The board of directors shall have the right to decide to pay a transport allowance of not more than US \$ 5000(US \$ Five thousand) to each member to attend the meetings of the general assembly and those of the board of directors during the single financial year .

Fifth: Article (100)

Original text :

1. The first session of the extraordinary general assembly meeting shall not be considered legal unless it has a quorum of shareholders representing a minimum of 75 % of the company's shares among them at least half of the members of the board of directors one of them the chairman of the board of directors or his deputy .If the meeting shall be called at the request of the shareholders it may be held even if it is not attended by the members of the board of directors . If the first session shall have no quorum a minimum of 40 % of the shareholders should be represented at the second session called for on the same day at the same time of the next week. If this session shall have no quorum the meeting should be cancelled whatever the reasons for it may be.
2. Decisions shall be taken by a majority of 75 % of the shares represented at the meeting in the following cases :
 - a. Amending the company's regulations or its memorandum of association provided that changing the provisions of the memorandum of association concerning the company's purposes is approved by the court .
 - b. Merging with another company or establishment .
 - c. Dissolving or liquidating the company .
 - d. Dismissing the chairman or a member of the board of directors .
 - e. Moving the company's head office .

3. The topics contained in para (1) of this article should not be discussed unless they are frankly stated in the full text in the invitation sent to the shareholders .
4. If the topic of amending the company's memorandum of association and its by-law shall be contained on the agenda of the extraordinary general assembly the proposed amendments should be attached to the invitation so that the shareholders can study them before the meeting.

Proposed text:

1. The first session of the extraordinary general assembly meeting shall not be considered legal unless it has a quorum of shareholders representing a minimum of 75 % of the company's shares among them at least half of the members of the board of directors one of them the chairman of the board of directors or his deputy .If the meeting shall be called at the request of the shareholders it may be held even if it is not attended by the members of the board of directors . If the first session shall have no quorum a minimum of 40 % of the shareholders should be represented at the second session called for on the same day at the same time of the next week. If this session shall have no quorum the meeting should be cancelled whatever the reasons for it may be.
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 - a. Amending the company's regulations or its memorandum of association provided that changing the provisions of the memorandum of association concerning the company's purposes is approved by the court .
 - b. Merging with another company or establishment .
 - c. Dissolving or liquidating the company .
 - d. Dismissing the chairman or a member of the board of directors.
- Para "e" of the original text is omitted .
3. The topics contained in para (1) of this article should not be discussed unless they are frankly stated in the full text in the invitation sent to the shareholders .
 4. If the topic of amending the company's memorandum of association and its by-law shall be contained on the agenda of the extraordinary general assembly the proposed amendments should be attached to the invitation so that the shareholders can study them before the meeting.

Sixth : Article (122)

Original text : The company shall send advertisements , notifications and notices to each of its members either by handing it over to him in person or by sending it by registered mail at his registered address or at the address given to it by him if he shall have no address registered with it .

When advertisement or notice or notification are sent , stamps affixed thereto and put in the mail they shall be considered as having been received on the date on which they can be distributed as per the surface mail unless otherwise proved .

Proposed text: The company shall send advertisements and notices and notifications to each of its members either by handing it over to him in person or by sending it to him by registered mail at his registered address or at the address given to it by him if he shall have no address registered with it or by fax .

When advertisement or notice or notification are sent , stamps affixed thereto and put in the mail they shall be considered as having been received on the date on which they can be distributed as per the surface mail unless otherwise proved .

Seventh : Article (123)

Original text : If a member of the company shall have no registered address at which notices , advertisements and notifications shall be sent sending notice and notification at his own address and publishing it in a newspaper issued in the vicinity of the registered company's center shall be considered as sufficient notification to him on the day on which notice or notification are published .

Proposed text: If a member of the company shall have no registered address at which notices , advertisements and notifications shall be sent sending notice and notification at his own address and publishing it in a daily local newspaper shall be considered as sufficient notification to him on the day on which notice or notification are published.