

AMENDING PROTOCOL

between

The Government of the State of Israel

and

The Government of Romania

to

**the Agreement between the Government of the State of Israel and the
Government of Romania for the Reciprocal Promotion and Protection of
Investments signed in Jerusalem, on August 3, 1998**

The Government of the State of Israel and the Government of Romania
(hereinafter "the Contracting Parties");

Recalling the Agreement between the Government of the State of Israel
and the Government of Romania for the Reciprocal Promotion and Protection
of Investments signed in Jerusalem, on August 3, 1998 (hereinafter referred to
as "the Agreement");

In order to comply with Romania's obligations as a Member State of
the European Union;

Acknowledging that Romania, pursuant to Article 351 of the Treaty on
the Functioning of the European Union and Article 6.10 of its Act of Accession
to the European Union, must take all appropriate steps to eliminate

incompatibilities between the European Union and its other international treaties including the Agreement;

Have agreed on the following:

ARTICLE I

The second sentence of paragraph 2 of Article 2 shall be modified to have the following content:

"2. Without prejudice to the measures adopted by the European Union, neither Contracting Party shall in any way impair by unreasonable or discriminatory measures the management, maintenance, use, enjoyment or disposal of investments in its territory of investors of the other Contracting Party."

ARTICLE II

Sub-paragraph (b) of paragraph 3 of Article 3 shall be modified to have the following content:

"(b) any existing or future customs or economic union, any free trade area agreement or any similar international agreement or regional economic integration organization that includes a free trade area or a customs union, to which either of the Contracting Parties is or may become a party, within the meaning of "customs union" or "free trade area" in accordance with Article XXIV of the GATT Agreement."

ARTICLE III

At Article 5 a new paragraph 5 shall be inserted having the following content:

"5. Notwithstanding the forgoing, with respect to intellectual property rights, the Contracting Parties may permit the unauthorized use of an intellectual property right, provided such authorization is made in conformity with the principles set forth in the Agreement on Trade Related Aspects of Intellectual Property Rights ("TRIPS") (1994)."

ARTICLE IV

1. Paragraph 1 of Article 6 shall be modified to have the following content:

"1. Without prejudice to the measures adopted by the European Union, each Contracting Party in whose territory investments have been made by investors of the other Contracting Party, shall grant those investors the free transfer of the payments in free convertible currency relating to these investments, in particular though not exclusively:

- a) the capital and additional sums necessary for the maintenance and development of the investment;
- b) returns, according to Article 1(d) of the Agreement;
- c) funds in repayment of loans regularly contracted and documented and directly related to a specific investment;
- d) the proceeds from the total or partial sale, alienation or liquidation of an investment;
- e) compensations provided for in Articles 4 and 5;
- f) the earnings of citizens of one Contracting Party who are allowed to work in conformity with the existing laws and regulations, in connection with an investment in the territory of the other Contracting Party."

2. At Article 6 a new paragraph 4 shall be inserted having the following content:

"4.

- a) when a Contracting Party is in serious balance of payments difficulties or in serious difficulties for the operation of the exchange rate policy or monetary policy, or under threat thereof, that Contracting Party may, in conformity with the conditions laid down within the framework of the GATT and with Articles VIII and XIV of the Articles of Agreement of the International Monetary Fund, adopt restrictive measures which may not go beyond what is necessary to remedy the situation, for a period not exceeding twelve (12) months. The Contracting Party shall notify the other Contracting Party, as soon as possible, as to the measures taken, and the expected timetable for their removal.

- b) such measures shall be equitable, non-discriminatory, and in good faith."

ARTICLE V

A new Article 6-bis shall be inserted having the following content:

"Article 6bis National Security Exceptions

"Either Contracting Party may take measures strictly necessary for the maintenance or protection of its essential security interests, including measures adopted by a regional economic integration organization to which the Contracting Party is a member. Such measures shall be implemented in good faith, on a non-discriminatory basis so as to minimize the deviation from the provisions of this Agreement."

ARTICLE VI

Article 13 shall be amended by renumbering the existent paragraph as 2 and by adding a new paragraph 1, having the following content:

"1. This Agreement may be amended by mutual consent of the Contracting Parties in writing. Any such amendment shall enter into force in accordance with the procedures set forth in Article 12(1) to this Agreement."

ARTICLE VII

1. This Amending Protocol shall form an integral part of the Agreement.
2. The interpretation of this Amending Protocol shall be in accordance to the terms and provisions of the Agreement.

ARTICLE VIII

This Amending Protocol shall enter into force on the date of the latter written notification, through diplomatic channels, by which the Parties notify each other that their internal legal procedures for its entry into force have been completed, and shall remain in force so long as the Agreement remains in force.

witness thereof, the undersigned, being duly authorized thereto, have signed this Amending Protocol.

Done at BUCHAREST, this 12 AUGUST day of 2010, which corresponds to the 2 day of ADAR 5770 in the Hebrew calendar, in duplicate, in Romanian, Hebrew and English languages, all texts being equally authentic. In case of divergence of interpretation, the English text shall prevail.

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For the Government of The State
of Israel

[Signature]

For the Government of Romania