

December 10, 2008

Ms. Rachel Hirshler
Deputy Director of the
Foreign Trade Administration
Ministry of Industry Trade and Labor
5 Bank Israel Street
Jerusalem, Israel 91036

Dear Ms. Hirshler:

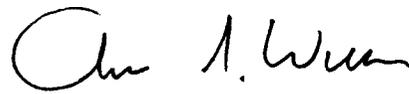
On July 27, 2004, the Government of the United States of America (United States) and the Government of Israel (Israel) entered into an agreement concerning certain aspects of trade in agricultural products (Agreement), effective from January 1, 2004, through December 31, 2008. Pursuant to the Agreement, our Governments have begun to review the operation of the Agreement and to seek ways to make further improvements.

In order to allow more time for this review, I have the honor to confirm the following understanding between our Governments, effective today:

1. The United States and Israel agree that the Agreement, its annexes, and attachments, with modifications as noted in this letter, will remain in force through December 31, 2009.
2. For 2009, Israel will maintain, for each product listed in Annex B of the Agreement, the quantities for free import into Israel from the United States at the 2008 levels specified for each product in that Annex.
3. For 2009, Israel will maintain, for imports from the United States subject to Annex C of the Agreement, the 2008 preference levels specified for each product in that Annex.
4. For 2009, the United States will maintain, for each product listed in Annex D of the Agreement, the quantities for free import into the United States from Israel at the 2008 levels specified for each product in that Annex.

5. The United States and Israel will continue their review of the operation of the Agreement with a view to reaching a new agreement on trade in agricultural products to enter into force at the earliest practicable date.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris A. Wilson". The signature is fluid and cursive, with a large initial "C" and "W".

Christopher S. Wilson
Assistant U.S. Trade Representative for
Europe and the Middle East



STATE OF ISRAEL
MINISTRY OF INDUSTRY, TRADE & LABOR
FOREIGN TRADE ADMINISTRATION

Jerusalem, December 10, 2008

Christopher S. Wilson
Assistant U.S. Trade Representative for
Europe and the Middle East
Office of the U.S. Trade Representative
17 600th Street, N.W.
Washington, DC 20508

Dear Mr. Wilson:

I am pleased to acknowledge your letter of December 10, 2008.

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Sincerely,



Rachel Hirshler
Deputy Director of the
Foreign Trade Administration