



NOTE NO. 362627

The Embassy of the State of Israel presents its compliments to the Department of State and acknowledges receipt of the Department's note dated [February 9, 2016], regarding the Agreement between the Government of the State of Israel and the Government of the United States of America to Improve International Tax Compliance and to Implement FATCA, signed at Jerusalem on June 30, 2014, which is not yet in force which states the following:

["Notwithstanding Paragraph 10 of Article 3 of the Agreement, The Agreement shall not terminate as stated in that paragraph. However, the Agreement shall terminate 12 months following its entry into force if Article 2 of the Agreement is not in effect for either Party pursuant to paragraph 9 of Article 3 of the Agreement by that date"]

The Embassy of the State of Israel would like to inform the Department of State that the Government of the State of Israel accepts the proposals set forth in the Department's note.

Therefore, the Department's note and the present note shall constitute an agreement between the Government of the State of Israel and the Government of the United States of America, which shall enter into force on the 31<sup>st</sup> of March 2016.

The Embassy of the State of Israel avails itself of this opportunity to renew to the Department of State of the United States of America of the assurances of its highest consideration.

31 March 2016

Department of State

Washington D.C

United States



The Department of State refers the Embassy of the State of Israel to the Agreement between the Government of the United States of America and the Government of the State of Israel to Improve International Tax Compliance and to Implement FATCA, signed at Jerusalem on June 30, 2014, which is not yet in force (the "Agreement").

The Department notes that Paragraph 10 of Article 3 of the Agreement provides: "This Agreement shall terminate on September 30, 2015, if Article 2 of this Agreement is not in effect for either Party pursuant to paragraph 9 of this Article by that date."

In connection with the Agreement, the Department, on behalf of the Government of the United States of America, proposes the following:

Notwithstanding Paragraph 10 of Article 3 of the Agreement, the Agreement shall not terminate as stated in that Paragraph.

However, the Agreement shall terminate 12 months following its entry into force if Article 2 of the Agreement is not in effect for either Party pursuant to paragraph 9 of Article 3 of the Agreement by that date.

**DIPLOMATIC NOTE**

If the foregoing is acceptable to the Government of the State of Israel, the Department further proposes that the present note and the Embassy's affirmative note in reply shall constitute an agreement between the Government of the United States of America and the Government of the State of Israel and that the agreement shall enter into force on the date of the Embassy's reply.



Department of State,

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Washington, February 9, 2016.