AGREEMENT BETWEEN THE GOVERNMENT OF THE STATE OF CALIFORNIA, UNITED STATES OF AMERICA, AND THE GOVERNMENT OF THE STATE OF ISRAEL ON BILATERAL COOPERATION IN INDUSTRIAL RESEARCH AND DEVELOPMENT

The Government of The State of Israel (hereinafter referred to as "**Israel**"), and The Government of The State of California, United State of America (hereinafter referred to as "**California**"), hereinafter referred to as the "**Parties**";

DESIRING to develop and strengthen industrial research and development (hereinafter referred to as "**R&D**") collaboration between the Parties in various technological fields;

DESIRING to enhance their industrial competitiveness through cooperation in Industrial R&D and to develop and strengthen economic and commercial cooperation between them;

RESOLVING to undertake a sustained effort to promote, facilitate and support joint Industrial R&D projects, between businesses, corporations or entities (hereinafter referred to as the "**Entity**" or "**Entities**") from the State of California and from the State of Israel;

RECALLING the Memorandum of Understanding Between The Government of The State of California, United States of America and The Government of The State of Israel on The Establishment of A Strategic Partnership For Joint Innovation, Exchanges and Cooperation Signed On 5th of March, 2014 (hereinafter referred to as the "**MOU**");

HAVE AGREED on the following:

ARTICLE I – Objectives and Scope

1. The Office of the Chief Scientist of the Ministry of Economy of the State of Israel and the Governor's Office of Business and Economic Development of the State of California, within their competence and subject to their States' applicable internal laws, regulations, rules, procedures and mechanisms in the State of California and the State of Israel, subject to the availability of funds, shall facilitate, support and encourage cooperation projects in the field of Industrial R&D undertaken by Entities from the State of Israel and from the State of California, for joint development and subsequent marketing of products or processes to be commercialized in the global market

2. For the purpose of this Agreement, Industrial R&D means, inter alia, research, development and demonstration activities intended to develop new products or processes to be commercialized in the global market.

3. The implementation of this Agreement and any activity hereunder shall be in accordance with the respective applicable laws, regulations, rules, procedures and mechanisms of the State of California and the State of Israel.

Article II - Miscellaneous Matters

1. Each Party shall notify the other Party, in writing, through diplomatic channels, of the completion of its internal legal procedures required for bringing this Agreement into force. This Agreement shall enter into force on the date of the latter notification.

2. This Agreement shall remain in force until either Party terminates it. Either Party may terminate this Agreement by written notification to the other Party, through diplomatic channels. The Agreement shall cease to be in force six months after the date of such notification.

3. This Agreement may be amended, in writing, by mutual agreement of the Parties. Any such amendment shall enter into force in accordance with the procedure set forth in paragraph (1) of this Article.

4. The amendment or termination of this Agreement shall not affect the validity of arrangements and contracts already concluded.

5. This Agreement shall not affect the present and future rights or obligations of the Parties arising from other international agreements and treaties.

IN WITNESS WHEREOF, the undersigned, being duly authorized by their respective Governments, have signed this Agreement.

This Agreement was signed in San Diego, California, United States on the 24th day of June 2014, corresponding to the 26th day of Sivan of 5774, in the Hebrew calendar.

For the Government of the State of Israel	For the Government of the State of California
David Siegel, Consul General Consulate General of Israel, Los Angeles, California	Kish Rajan, Director Governor's Office of Business and Economic Development