



**Convenience translation from Hebrew -
The binding version is the Hebrew version only**

Signing of an Agreement with a Consultancy

The company is pleased to report the decision of the Board of Directors of the signing of an agreement for consulting services from a company ("Consultancy") fully owned by Mr. Yashar Ben-Mordechai, who served as CEO until April 30, 2011.

According to the agreement the Consultancy will provide consulting services for the project management of the hydrocracker, its related projects and its integration into the trade and production of the company, as well as other projects, as agreed between the Consultancy and the Company.

The agreement was signed based on the expertise of Mr. Ben-Mordechai and his deep familiarity with the referred to projects.

The agreement is for a period of two years. The Company has the right to terminate the agreement before the end of two years, but the Consultancy will be entitled to any payments and other changes set forth in the agreement until the end of these two years, except in specific cases of breach of the agreement by the Consultancy, as listed in the agreement.

In exchange for consulting services, the Consultancy will be entitled to a monthly payment of about NIS 217 thousand linked to the CPI; eligibility for success benefit based on the sum of the multi-year benefit according to the Company's benefit plan, to which Mr. Ben-Mordechai would have been entitled to receive, had he continued to serve the company until the end of the eligibility period for the receipt of the benefit (for details on the eligibility in the benefit plan and the CEO's entitlements to it, please refer to document 2011-01-090168)¹, and a company car, which will be used by the Consultancy, as well as all of its expenses, which will be borne by the Company.

Under the agreement, the Consultancy will commit to a confidentiality and non-competition agreement.

The consulting agreement was approved and signed after the end of Mr. Ben-Mordechai's tenure in the Company. The approval of the agreement by the Board and this report, are done as a precautionary measure, only due to the proximity of the retirement of Mr. Ben-Mordechai and the contracting with the Consultancy.

Oil Refineries Ltd.

¹ Convenience translation of which was published on 31/3/2011 in the Company's website, under "investors relations", "company releases".