

The State of Israel
The Israeli Life Science Fund Tender
Committee

January 20, 2010

To: All Participants

**Re: Invitation for Pre-Qualification for
participation in a tender for the formation
of Israeli life science funds – Addendum No. 1**

1. Pursuant to Section 4.8 of the Invitation for Pre-Qualification issued on November 10th, 2009 and in response to the Participants' Requests for Clarifications, the Tender Committee is issuing this Addendum No. 1 and is amending the Invitation for Pre-Qualification.
2. Capitalized terms used herein without definition shall have the meaning set forth in the Invitation for Pre-Qualification.
3. For convenience, this Addendum may refer to only one fund.
4. The questions set forth in this Addendum have been edited by the Tender Committee for purposes of clarity and efficiency.
5. Participants are required to acknowledge receipt of this Addendum, no later than two (2) days following receipt thereof, by a written notice to the Tender Committee in accordance with Section 4.9.5 of the Invitation.

Respectfully,

Eran Heimer
Senior Deputy Accountant General
Chairman of the Tender Committee

cc: Members of the Tender Committee

Addendum No. 1 - January 20, 2010

Part I – Term Sheet			
1.	Term Sheet – Paragraph 1: The Fund	Q:	Under the Invitation for Pre-Qualification the Fund must be an Israeli Limited Partnership – many foreign investors will only invest in an offshore LP entity (e.g. Cayman or Luxemburg). Will allowances be made for such investors?
		A:	Yes, allowances will be made. One or more offshore funds may be organized on terms substantially similar to those of the Funds to meet the needs of certain non-Israeli investors. Any such offshore fund will co-invest proportionally with the Funds on the basis of available capital. The term "Fund" or "Funds" used in the Term Sheet includes any such offshore funds as the context requires. The Pre-Qualification Documents are amended accordingly; see paragraph 1 of the Term Sheet as amended.
2.	Term Sheet –	Q:	Please consider lowering the proportion of Capital Commitments that must

	Paragraph 4: Investment Diversification		be invested in bio-pharmaceutical companies. We believe it is a high proportion for relatively small funds; especially in light of the proportion of Capital Commitments that will be used to fund the Management Fees.
		A:	Under the Term Sheet, a critical mass of investments must be made in Bio-Pharma. This critical mass is defined as a certain dollar amount; <u>not</u> as a percentage of the capital commitments. The larger the fund is the lower the portion of required Bio-Pharma investments. The Tender Committee considered the impact of the Management Fees and determined not to amend this requirement. This provision was designed to assist in filling the Bio-Pharma funding "gap" that the Government identified as described in the Invitation for Pre-Qualification.
3.	Term Sheet - Paragraph 4: Investment Diversification	Q:	Please confirm: If \$100 million or more is raised from Participants and an additional \$36 million is contributed by the Israeli Government, \$100 million must be invested in biopharmaceutical companies, and any additional capital in the Fund may go towards other healthcare ventures.
		A:	The Tender Committee confirms the foregoing. Note however that under paragraph 4 of the Term Sheet, an \$8 million Bonus Government

			Commitment may be given without any increase to the amount required to be invested in biopharmaceutical companies.
4.	Term Sheet – Paragraph 4: Investment Only in Israeli Companies	Q:	The official place of the company registration should not be the determining criterion. Some companies are registered outside of Israel for legal or strategic reasons. The relevant criterion should be companies with substantial activity in Israel and/or valuation creation within Israel. If the fund were to invest in a Delaware corporation (for example) whose sole asset is an Israeli subsidiary then this should qualify for an investment.
		A:	The Tender Committee is broadening the definition of Israeli companies to include companies managed and controlled in Israel. The Pre-Qualification Documents are amended accordingly; see paragraph 4 of the Term Sheet as amended. In addition, the Tender Committee clarifies that the Funds may invest in Israeli registered companies (or non-Israeli companies managed and controlled in Israel) regardless of the composition of its shareholders.
5.	Term Sheet – Paragraph 4:	Q:	The requirement that "the Fund will ensure that its portfolio companies remain Israeli companies so long as the Fund remains an investor in such

	Investment only in Israeli companies		portfolio companies" does not allow mergers of portfolio companies into non-Israeli companies, which is a natural step in the life cycle of early stage technology portfolio companies and a greatly beneficial milestone for investors.
		A:	The Tender Committee understands the complexity of the issue and will address it at the RFP stage.
6.	Term Sheet – Paragraph 5: Closings	Q:	Please consider extending the six month period for establishing the Fund in light of the current financial market conditions and the difficulty of raising VC funds.
		A:	The Tender Committee decided to extend the deadline for the Initial Closing from six (6) months to twelve (12) months. The Pre-Qualification Documents are amended accordingly; see paragraph 5 of the Term Sheet as amended.
7.	Term Sheet – Paragraph 5: Closings	Tender Committee Clarification	The Tender Committee decided to permit Tender Participants to hold Initial Closings prior to the above-mentioned twelve month deadline if the number of Tender Participants is two or three; see paragraph 5 of the Term Sheet as amended.

8.	Term Sheet – Paragraph 8: Investment Committee	Q:	Size of the Board of Directors – Is there a specific number of Board members required or is this at the discretion of the General Partner? Can the Board be composed solely of Members of the General Partner?
		A:	These decisions are at the sole discretion of the General Partner.
9.	Term Sheet – Paragraph 13: Key Persons	Q:	Must the two Key Persons described in paragraph 13 of the Term Sheet be the same Key Persons described in Sections 6.6 – 6.8 of the body of the Invitation and are required to spend their time in Israel or can any other member in the participating group fulfill the requirement for time in Israel?
		A:	The Key Persons who meet the Pre-Qualification Requirements in the body of the Invitation are the same Key Persons who are subject to the devotion of time and other requirements in the Term Sheet. Note that, as set forth below in an answer to a question in Part II of this document, the Key Persons must be individuals.
10.	Term Sheet – Paragraph 13:	Q:	We suggest that the requirement that the Key Persons be present in Israel for a significant portion of their time should not apply in the case of a

	Key Persons		management team composed of a combination of existing US and Israeli teams.
		A:	The Tender Committee places importance on the extent of the Key Persons' personal involvement in the management of the Funds. For this reason the Tender Committee rejects this suggestion.
11.	Term Sheet – Paragraph 13: Key Persons	Q:	Definition of “significant portion” of time a Key Person is required to be in Israel.
		A:	The Tender Committee clarifies that a "significant portion" of the time of the Key Persons in this regard shall mean that each Key Person must be in Israel for at least a week during each calendar month. The Pre-Qualification Documents are amended accordingly; see paragraph 13 of the Term Sheet as amended.
12.	Term Sheet – Paragraph 16: Additional Funds	Q:	Limit on the establishment of any additional fund with investment policies similar to those of the Fund – What is the definition of policies similar to those of the Fund? Our firm has several partners not directly related to this fund who are in the process of raising regional life sciences funds in other

			parts of the world. These funds will not directly compete with the Fund and they will not be in conflict.
		A:	"Investment policies similar to those of the Fund" means investment policies that focus on the Israeli life science sector. Therefore, such other regional life sciences funds mentioned in the question above would not be considered additional funds with investment policies similar to those of the Fund.
13.	Term Sheet – Paragraph 16: Additional Funds	Q:	You should require the standard that requires 70% allocation before the GP starts raising another fund.
		A:	See paragraph 16 of the Term Sheet and the 75% standard used therein. Such standard is well within the range common to venture capital funds.
14.	Term Sheet – Paragraph 17: Management Fees	Q:	Clarification is required as to the management fees after the active investment period. We believe that there is no reason for any decrease in this fee for the remainder of the fund life as the majority of the work comes in working with the company after the investment is made. What is the proposed management fee post the investment period?

		A:	Such decrease in management fees is customary. The Tender Committee left the exact extent of such decrease to be negotiated among the General Partner and the Private Partners (see paragraph 26 of the Term Sheet for additional terms the Tender Committee left for such negotiations).
15.	Term Sheet – Paragraph 17: Management Fees	Q:	The Management Fees should be determined through the normal negotiations with the Private Partners and not dictated by the Tender Committee. The industry standard for small size specialized funds is 2.5% per annum.
		A:	The Tender Committee believes, based on positive indications, that the 2.0% Management Fee set in the Term Sheet is well within the range common in the industry.
16.	Term Sheet – Paragraph 18: Distributions	Q:	The waterfall refers to “Private Partners”, a term that does not include the GP. We assume that the Preferred Return applies also to the investment made by the GP. Please also check the references to Private Partners in various places where (we believe) you intended to exclude the Government’s investment and not the GP’s. Please confirm.
		A:	Please see the last sentence of paragraph 7 of the Term Sheet: "The General

			Partner will be required to make a Capital Commitment of at least one percent (1%) of the aggregate Capital Commitments and will be deemed for all purposes of the Partnership Agreement (including the distributions and allocation provisions) to be a Private Partner to the extent of such Capital Commitment; ".
17.	Term Sheet – Paragraph 18: Distributions	Q:	Setting an annual hurdle rate on distributions can be a deal-breaker for potential contenders. It is definitely not an industry standard for specialized venture capital funds. This is highly discouraging for potential management teams as it increases by up to 50% over the Fund's 10 years, the recoupment required prior to earning carried interest.
		A:	The Tender Committee chose to impose an annual 5% hurdle rate in order to meet Israeli institutional limited partner expectations. The Tender Committee believes that 5% per year is a reasonable and common hurdle rate. In addition, please note that the Term Sheet includes a 100% General Partner "catch-up" provision.

18.	Term Sheet – Paragraph 19: Government Benefit	Q:	There appears to be a typo in the formula. Reference should be to Private investment divided by Government investment, otherwise the higher the investment the lower the ratio, disincentivizing raising a bigger fund.
		A:	Correct. The Leverage Ratio shall mean the ratio between the aggregate Private Partners' Capital Commitment to the Fund and the Government's Capital Commitment in the Fund(not including any Bonus Government Commitment). The Pre-Qualification Documents are amended accordingly; see paragraph 19 of the Term Sheet as amended.
19.	Term Sheet – Paragraph 19: Government Benefit	Q:	The Government Benefit is not high enough to sufficiently incentivize commitments to the Fund. The Government should waive either all its rights to participate or at least 80% of all distributions.
		A:	The Tender Committee rejects this suggestion. Please note the significant benefits offered under the Distribution Waterfall: (a) investors receive the Government Benefit in real time, together with the Funds' distributions, rather than at the time of the termination of the Fund, (b) investors receive a larger proportion of the first distributions until they receive an amount equal

			to their capital contributions plus their Preferred Return (downside protection), and (c) investors receive a larger proportion of the Funds' distributions beyond the foregoing amount with no limitation as to the amount of such benefit (upside sharing).
20.	Term Sheet – Paragraph 19: Government Benefit	Q:	Please Confirm – LP's contributing \$100MM will receive approximately 55% of Government profits as the Government Benefit.
		A:	That is not accurate. The size of the Benefit Fraction depends on the Leverage Ratio, i.e. the ratio between the aggregate Private Partners' Capital Commitments and the Government's Capital Commitment. The Private Partners can make Capital Commitments of \$100M under two possible scenarios: 1. If there are three or more managers that participated in the Tender Selection Stage as Tender Participants, the Government's Capital Commitment shall be \$24M (not counting the Bonus Government Commitment as such commitment is ignored for purposes of calculating the Leverage Ratio and Benefit Fraction) and the Benefit Fraction shall be

			<p>$\\$100\text{M} / 24\text{M} * 0.2 = 83\%$. Since the Government Benefit is capped at 80%, the Government Benefit shall be 80%;</p> <p>2. If there are two or more managers that participated in the Tender Selection Stage as Tender Participants, the Government's Capital Commitment shall be \$36M (not counting the Bonus Government Commitment as such commitment is ignored for purposes of calculating the Leverage Ratio and Benefit Fraction) and the Benefit Fraction shall be $\\$100\text{M} / 36\text{M} * 0.2 = 55\%$.</p>
21.	Term Sheet – Paragraph 25: Side Letters	Q:	<p>During the conference on Dec. 8th you suggested that Participants could give part of the GP away to entities other than the Key People and the Associated Management Company. This is in stark contrast to the provision in paragraph 25 of the Term Sheet, stating that “no difference will be permitted among the various Limited Partners with regard to their respective economic rights in the Fund...”. We believe allowing Participants to give part of the GP to purely financial LPs encourages weaker groups to sell out and creates a race to the bottom, sabotaging the strong groups and forcing them to do the same, something we do not intend to do. We suggest you prohibit giving part of the GP to LPs.</p>

		<p>A: The Tender Committee stands by its statement in paragraph 25 of the Term Sheet. The Tender Committee prohibits management teams from granting rights to Limited Partners in the General Partner or in the revenue streams of the General Partner for precisely the reason set forth in the above question. The Pre-Qualification Documents are amended to make this prohibition absolutely clear; see paragraph 25 of the Term Sheet as amended.</p> <p>The statement in the conference referred to in the above question was taken out of context and has no bearing on the aforementioned prohibition. All that was meant was that under Section 6.10 of the Invitation (Minimum Holdings in Participant), up to 49% of the Means of Control of Participants may be held by persons who are not required to meet the Pre-Qualification Requirements.</p>
22.	Term Sheet – Paragraph 25: Side Letters	<p>Q: The ability of the General Partner to provide benefits at its own expense to certain Limited Partners is an industry standard that we don't see a reason to prohibit. Any economic rights that the General Partner decides to waive are out of its pocket and do not effect any of the other Limited Partners nor the Government. We propose to add a "Most Favorable Nation" clause to prevail with the private investors so that any additional benefits granted through a</p>

			side letter to an investor by the GP will need to be in line with the size of his investment and not inferior to a like-size investor.
		A:	The Tender Committee rejects this proposition. The Tender Committee is concerned that enabling the management teams to grant special favorable economics to certain large limited partners will create a "race to the bottom" pursuant to which management teams may attract investors not based on their abilities but rather on their willingness to part with a significant portion of their Carried Interest.
23.	General – Definition of Bio- Pharma	Q:	What is the definition of biopharmaceutical products? For instance, in the strictest definition this would include only biologics such as proteins, antibodies, peptides, etc. Do small molecule therapeutics meet the definition of bio-pharmaceutical products? This is especially important as bio-“convergent” products now exist that are partially biopharma and partially MedTech. The definitions of these areas are increasingly become blurred.

		A:	<p>For purposes of the Summary of Terms, the term "Bio-Pharmaceutical Technologies" shall mean technologies requiring New Drug Application regulatory pathways; these also include platform technologies that will result in the development of such bio-pharmaceutical technologies. The Pre-Qualification Documents are amended accordingly; see paragraph 4 of the Term Sheet as amended.</p> <p>The following are the FDA relevant New Drug Application regulatory pathways as an example (this example does not exclude the New Drug Application regulatory pathways of parallel EU pharmaceutical regulators (EMA) or other major authorities):</p> <ul style="list-style-type: none"> • NEW DRUG APPLICATION (NDA) via Center for Drug Evaluation and Research (CDER) or Center for Biologics Evaluation and Research (CBER) • BIOLOGIC LICENSE APPLICATION (BLA) (the BLA is equivalent to an NDA for a biologic) • Combination Product (as defined by the FDA or other similar authorities) that its Primary Mode of Action (PMOA) directs
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			<p>this drug/device product application to be submitted for review for approval, and to be evaluated by the FDA (or other similar authority) centers for drug development (Center for Biologics Evaluation and Research (CBER) or Center for Drug Evaluation and Research (CDER).</p>
24.	General	Q:	<p>Please confirm that companies receiving investments from the Funds may spend their capital outside of Israel and may hire employees who work outside of Israel.</p>
		A:	<p>Companies receiving investments from the Funds may spend their capital outside of Israel, including in order to handle activities that cannot be performed in Israel, such as clinical trials, specific preclinical trials, drug development.</p>
25.	General	Q:	<p>The document does not mention re-investment. It is customary to allow re-investment up to the entire commitment (i.e. reinvestment of an amount equal to the aggregate management fee and fund expenses). Please clarify.</p>
		A:	<p>Please see paragraph 26 of the Term Sheet. This term, as well as certain other terms, will be negotiated among the General Partner and the Private</p>

			Partners.
26.	General	Q:	Will the Fund will be subject to the Encouragement of Industrial Research and Development Law, 5744-1984 (the "R&D Law")?
		A:	No. The Fund shall not be subject to the R&D Law. However, please note that companies in which the Fund may invest may be subject to the R&D Law as a result of any funding those companies received from the Israeli Office of Chief Scientist.

Part II – Main Part of the Invitation

1.	Invitation – Section 5.7	Q:	The requirement that the Fund Manager must be an Israeli company may cause taxation issues for foreign members/Key Persons who are partners in the Fund Manager. Please clarify the tax consequences of such requirement on such persons.
		A:	As to the taxation profile of the Fund Manager, under the current policy of the Israeli Tax Authority, if certain conditions are met, the Fund Manager may obtain a favourable tax pre-ruling under which the Carried Interest paid to foreign managers is taxed at a reduced rate of 15% and a certain portion of the Carried Interest paid to Israeli managers is taxed at a reduced rate of 25%.
2.	Tax Consequences to the Fund's Investors	Tender Committee Clarification	As to the taxation profile of the Fund, under the current policy of the Israeli Tax Authority, if certain conditions are met, the Fund Manager can obtain a favourable tax pre-ruling for the Fund under which the foreign investors in the Fund will be exempt from Israeli income tax on distributions received from the Fund relating to investment realizations, and dividends and interest payments paid by portfolio companies to the Fund.
3.	Invitation – Section 1.6.2	Q:	The general concept of passing the Tender Selection Stage and going out to raise money without a secured commitment by the Government is a major issue. We propose that once a team passes the Tender Selection Stage successfully, the Government commitment to that team shall be firm,

			provided some minimum amount is raised from private Investors.
		A:	The Tender Committee acknowledges this concern, which was presented to the Tender Committee in response to the Tender Committee's Request for Information, published on August 17, 2009. In response to this concern, and in light of the Government's budgetary constraints, the Tender Committee structured the Tender Selection Stage (see Section 11 of the Invitation for Pre-Qualification) such that the process suggested in the above question would in fact be implemented if the number of Tender Participants is less than four.
4.	Invitation – Section 6	Q:	Is having at least one Member of the Participant who is Israeli a necessary condition?
		A:	No; although the Fund Manager must be an Israeli company, there is no requirement that any Member or any Key Person of a Participant be Israeli.
5.	Invitation – Section 6	Q:	Please consider changing the Pre-Qualification Requirements set forth in the Invitation for Pre-Qualification.
		A:	The Tender Committee considered this suggestion, including the various specific changes that were requested to be implemented, and decided not to change the Pre-Qualification Requirements.
6.	Invitation –	Q:	We suggest amending the Pre-Qualification Requirements to include as Key Persons individuals

	Section 6		with experience as a senior consultant to top management of global multi-billion-dollar – pharmaceutical and biotech companies, while working for a leading global Management Consulting Firm.
		A:	The Tender Committee considered this suggestion, and decided not to change the Key Persons Requirements.
7.	Invitation – Section 6.1	Q:	We believe that in the case of MC Associated Teams, the additional requirements for qualification set the bar unjustifiably higher than for Independent Teams, which is illogical. If at all, there should be a preference for MC Associated Teams as they hold the most critical proof of capability compared to any other type of candidate.
		A:	To the contrary, the requirements for Independent Teams are higher than from MC Associated Teams.
8.	Invitation – Section 6.5	Q:	Please consider taking into account experience gained prior to 1996.
		A:	The Tender Committee believes that professionals that did not gain the sufficient relevant experience during the last 14 years do not have the required experience to manage the Funds. Therefore, the Tender Committee rejects this suggestion.

9.	Invitation – Section 6.6	Q:	Requirements for Key Person with Fund/Investment Company management experience – The requirements refers to experience of individuals. Must these individuals be Key Persons individually, or can they be a part of a member who is a company? For example, a VC management company is applying to be a member, and among the partners of this management company are people who have the relevant experience required.
		A:	The Key Persons must be individuals who meet the Pre-Qualification Requirements individually.
10.	Invitation – Section 6.6.1	Q:	\$100M VC – Does it have to be a 100M life science fund or could it be a diversified fund as well?
		A:	See description in the lead-in paragraph in Section 6.6: "at least one . . .fund . . . whose activities included the investment in companies that develop bio-pharmaceutical products . . .". This means that the fund could be a diversified fund so long as its activities include investing in companies that develop bio-pharmaceutical products.
11.	Invitation – Section 6.6.2 and	Q:	Companies which obtained approvals from relevant regulatory authorities – What kinds of approvals are required? Is it final new drug marketing approvals or approval to start phase 1, 2 and 3?

	other sections		
		A:	Any kind of approval related to clinical development including approval to start phase 2 and 3, not necessarily final new drug marketing approvals.
12.	Invitation – Section 6.6 and 6.8	Q:	The threshold requirement regarding experience – It is unclear from the wording of Sections 6.6 and 6.8 if the accumulated experience of 7 years in the venture capital industry has to be in the framework of one specific fund that the candidate was employed by throughout the 7 years or if the experience can be accumulated through employment by more than one fund.
		A:	Section 6.6 of the Invitation expressly states that that a Key Person is required to have "a minimum of seven (7) years of proven managerial experience . . . as a manager of at least one venture capital fund" (bold added). This means that the experience can be accumulated through the management of more than one fund. Note however, that each such fund must meet the criteria set forth in Section 6.6.1 and 6.6.2 (or Sections 6.8.1, 6.8.2 and 6.8.3, as applicable).
13.	Invitation – Section 6.9	Q:	The requirements from Associated Management Companies are unreasonable and unattainable for Israeli healthcare dedicated venture capital teams. No such management teams manage >\$750M in the life sciences sector and include at least seven experienced professionals who collectively have background in science, medicine and the pharmaceutical industry.

		A:	The Tender Committee acknowledges that there are few Israeli investment management companies that meet the criteria of Associated Management Companies. However, as explained in Section 6, Participants are not required to have a Member that is an Associated Management Company. Therefore, the fact that few Israeli investment management companies meet the criteria of Associated Management Companies does not prevent other Israeli Participants from participating in the Tender Process as Independent Teams.
14.	Invitation – Section 6.9.1.2	Q:	Please define “advanced clinical stage”.
		A	"Advanced clinical stage" means Phase 2 or Phase 3.
15.	Invitation – Section 10.2	Q:	Does the limitation on raising capital from investors that has already been allocated to Israeli bio-pharma investments preclude Israeli based pharmaceutical companies and medtech companies or Israeli based VC investors from being potential LPs in the fund?
		A:	The goal of the Funds is to direct new capital to the Israeli Life Science sector. The limitation is designed to prevent the re-direction to the Funds of pre-raised capital from other Israeli bio-pharmaceutical investments. Therefore, this limitation does not preclude the persons mentioned in the question from investing in the Funds so long as the capital they will invest in the Funds has not already been committed or allocated as set forth in Section 10.2 of the Invitation.

16.	Invitation – Section 11.1 onwards	Q:	When do we find out about the extent of Government Commitment (\$24m or \$36m + \$8m bonus)? All at 1 st closing?
		A:	You will know whether its \$24M or \$36M based on the amount of capital commitments you raised depending on the number of participants in any point in time. Regarding the \$8M bonus you will know only after all the Funds hold their Initial Closing. Please see the amendment to Section 11.1 of the Invitation for Pre-Qualification as to the notification of the number of Tender Participants.
17.	Invitation - Sections 11.1 and 11.5	Tender Committee's Clarification	Sections 11.1 and 11.5 of the Invitation for Pre-Qualification are amended to clarify that the Tender Committee shall keep the Tender Participants apprised of the number of Tender Participants participating in the Tender Selection Stage.
18.	General – Confidentiality	Q:	Is the PQ submission public, including names of key people? On account of the great sensitivity that exists in taking part in a tender of participants that are interested in being included in the management team of the Fund and are still employed at the present, we would like to know how we will be able to maintain discretion throughout the comprehensive and detailed process during which the candidates will be examined as to their qualifications. In addition, we would like to know if at the stage of the declaration of the eligible participants in the management group tender (before the creation of the funds) the names of the Key Persons will be publicized.

		<p>A: The Tender Committee recognizes the inherently sensitive nature of the identity of the individuals and entities submitting Pre-Qualification Submissions or submissions in the Tender Selection Stage. For this reason, in the event a Participant indicates that such identities are considered by such Participant to be of a commercially sensitive or secret nature (and repeats that indication in its submissions in the Tender Selection Stage), the Tender Committee shall treat all information that may identify such persons in such submissions (e.g., Curricula Vitae) as commercially sensitive information under Section 7.2 of the Invitation; as such, the Tender Committee shall keep all such information confidential throughout the Tender Process, it being understood that the identity of the Selected Tender Participants shall become public at the time of their selection and the creation of the Funds.</p>
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Part III – Forms

1.	Signatures and Stamps – All Forms	Q:	The forms require a stamp. Stamps are typically relevant for companies already formed. Section 5 of Form II specifies that the legal entity would be formed only post invitation to submit a bid. How do you propose we resolve this conflict? Also, where a member is a non-Israeli Management Company, logistics of a stamp would be problematic.
		A:	The footnote regarding the attorney attestation requirement shall apply to the stamp requirement as well. A foreign entity will not be required to provide a stamp if that is impossible or impractical. The Pre-Qualification Documents are amended accordingly: see Form C as amended.
2.	Form II	Q:	Sections 1 and 2: likely redundant information re: contact details Section 3: what do you mean by “profession”? The people applying typically have had more than 1 profession throughout their careers.
		A:	If redundant, please state twice. As to "profession", please describe as best you can.
3.	General	Q:	The PQ forms are in PDF. Could we please receive them in Word to enable typing the information into the document?
			The Pre-Qualification Forms will be provided to the Participants in "Word".

Acknowledgement of Receipt

Date: _____

To: Mr. Eran Heimer

Senior Deputy Accountant General

Chairman of the Tender Committee

Ministry of Finance

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Re: Invitation for Pre-Qualification for participation in a tender for the formation of Israeli life science funds – Addendum No. 1

Pursuant to the Invitation of Pre-Qualification issued on November 10th, 2009 and in accordance with Section 4.9.5 of the Invitation, we hereby acknowledge receipt of Addendum No. 1 to the Invitation.

(Participant's name and signature of its Authorized Representative)