

**REQUEST FOR INFORMATION ("RFI")**

**FOR**

**COLLABORATION FOR THE FURTHERANCE OF RESEARCH DEVELOPMENT &  
COMMERCIALIZATION OF INNOVATIONS**

**OF THE TEL AVIV SOURASKY MEDICAL CENTER**

## REQUEST FOR INFORMATION (“RFI”)

### 1. INTRODUCTION

The Tel Aviv Sourasky Medical Center ("**Medical Center**") is a world class governmental academic medical center, the largest acute care facility in Israel, employing 7000 health care professionals and hosting 1.8 million patient visits a year. With its extensive clinical and research activities, the Medical Center generates innovations in all of its diversified fields of operation. In order for such innovations to reach patient care, and in support of its researcher community, the Medical Center formed Aviv Medtech Ltd. ("**Aviv Medtech**"), a wholly owned limited liability subsidiary serving as its commercialization arm. Accordingly, and based on the mandate granted to it, Aviv Medtech is aimed at identifying the advantageous means by which development and commercialization said innovations can be achieved, while enhancing the Medical Center's entrepreneurial ecosystem.

In parallel to its continued efforts to seek such alternatives, Aviv Medtech is exploring the option of collaborating with a funding and commercializing entity or entities (each, hereinafter "**Partner**") in order to achieve the following defined objectives (jointly the "**Collaboration**"):

- (i) *In Its Mission To Ameliorate Public Health:* Expedite time to market of innovations with a commercial potential by allocating an invention-to-market funding and commercialization entity which may provide a combination of early pre-POC funding and thereafter at the applicable development stage - form a venture for the advancement of the project (R&D plan, regulatory pathway, business model, human capital, and a pre-defined exit strategy included); and
- (ii) *In Its Mission To Advance Research:* Support the Medical Center's research community by providing funding for innovations that are either pre-POC, or that may have a longer development cycle, or that may be at an exploratory, pre-applicative state.

### 2. COLLABORATION VISION

Aviv Medtech envisions a long-term partnership generating value to all those that take part in its innovation development and commercialization chain. The Collaboration proposed shall compose of the following (which may be amended based on the Medical Center's ongoing needs and Partner's input):

1. Identification of innovations with an applied and non-applied potential, eligible for funding (each, "**Project**");
2. Road-map of the development and commercialization plan of the selected Project (from lab to market, including, in the case of projects with an applied potential - the identification of pursued indication, business model, and an exit strategy) and the designation of the appropriate budget and resources accordingly required;
3. The formation of the Ltd. at the applicable development phase of the Project to which Partner shall provide or raise funds for, as well as substantive guidance which may include the allocation of a project team, or alternatively – in the case of a commercializing Partner, seek a 3<sup>rd</sup> party to which the technology may be licensed (commercialization by license'); For clarity its being noted that Aviv Medtech may, at its discretion, seek the required approvals allowing it to hold shares in the to be formed Ltd's.

4. In the event Partner shall form a VC which shall invest in Projects pursuant to the Collaboration, it is expected that the following shall apply:
  - 4.1 The fund shall invest a fixed agreed upon portion of its managed funds in the Collaboration, during the investment period of the fund;
  - 4.2 Aviv Medtech shall receive a portion of any funds distributed to the general partner of the fund (whether in cash or otherwise);
  - 4.3 Partner shall undertake that the incorporation documents of such to be formed VC shall implement a mechanism which will allow the Medical Center's donors to invest funds in such VC, and in the event such donor investments are placed, the amounts invested shall be added to the funds allocated to Aviv Medtech pursuant to subsection 4.1 herein.
5. It is further expected that Ltd.'s formed pursuant to the Collaboration shall procure the required clinical or scientific services (such as clinical trials, sponsored research, on-going clinical consultation, access to data) from the Medical Center (via its Health Fund) and/or its personnel, such right to be provided to Aviv Medtech as a right of first offer.

### **3. AVIV MEDTECH CONTRIBUTION**

In order to maximize the success potential of the Collaboration and the Projects, Aviv Medtech shall execute the following as part of its contribution to the Collaboration during the Collaboration term (as shall be defined):

- 3.1 Form a commercialization committee which shall adjourn on a quarterly basis, presenting the Partner's representative with innovations which are applicable to the proposed Collaboration of which Partner shall make its investment selection. Medical Center's top clinicians may assist in selecting and honing projects;
- 3.2 Grant Partner with a right of offer to invest funds in the innovations selected by it (or otherwise commercialize such) for an offer period of 30 days as of the last to adjourn commercialization committee during which no agreement shall be entered into by Aviv Medtech with respect to the applicable innovations presented at the such last to adjourn commercialization committee, subject to the meeting by Partner of the annual minimum investment criteria (as shall be defined by Aviv Medtech and Partner), it being noted that nothing herein shall derogate from Aviv Medtech's right to select the route of commercialization it deems most fit for the successful commercialization of the applicable innovation.
- 3.3 Grant the applicable Project upon its formation as an Ltd. with an exclusive license to use the applicable Medical Center technology, at terms as shall be agreed upon on a Project by Project basis based on industry benchmarked terms and shall include an exit fee (if shares are not allocated to Aviv Medtech at formation) and an Aviv Medtech non-voting observer,;
- 3.4 Provide on-going assistance to Partner with respect to clinical and commercial aspects relating to the furtherance of the development and commercialization of the Project at a scope as shall be determined;
- 3.5 Assist Partner in the procurement of services from the Medical Center as may be required by the applicable Ltd. which shall be furnished by the Health Fund (being the Medical Center's research arm, *inter alia*) at a best nation rate;

3.6 In case of a Partner seeking to form a venture capital vehicle for financing of the Collaboration – provide reasonable assistance in communicating and meeting with prospect Partner/fund investors.

#### **4. OBJECTIVE OF RFI**

The objective of this RFI is to allow Aviv Medtech to identify the appropriate Partner or Partners, each being a well-established track record proven funding and commercializing entity with extensive experience in the life science arena for continued long term support of its innovations as detailed in sections 1 and 2 herein.

- 4.1. This RFI shall not be considered as a request for proposals or as a tender and the provisions of neither the Israeli Mandatory Tenders Law 5752-1992.
- 4.2. Notwithstanding the aforesaid, Aviv Medtech may, as a result of this RFI, at its sole and absolute discretion, approach one or more of the Partners responding to this RFI and/or any other party in order to obtain additional information relating to the subject matter of this RFI and may as a result of this RFI conduct additional procedures and may use any information provided to it by a responding Partner.
- 4.3. Without derogating from the above, Aviv MedTech may enter into detailed agreements with one or more of the Partners responding to this RFI based on the information provided under this RFI, as detailed in Section 10.3 below.
- 4.4. This RFI shall not, under any circumstances, constitute any commitment on Aviv Medtech's part to negotiate nor to enter into any agreement with any Partner with respect to subject matter of this RFI, nor to pursue any proposal that accords with any specific requirement/s.

#### **5. THE RESPONSE**

Partner is invited to submit Aviv Medtech any information relating to the proposed Collaboration, including but not limited to the following:

- 5.1. Partner field of expertise in the life science arena and what field of operation of the Medical Center is Partner seeking;
- 5.2. Partner experience with leading innovations from lab to market (please name companies, if applicable) and past experience with similar collaborations with large size medical centers or academic institutions;
- 5.3. Partner staff that shall be engaged on behalf of Partner in the Collaboration (please include CVs alongside details of each such person's medical field of expertise (if applicable));
- 5.4. Partner current available funding resources to be allocated to the Collaboration, or in the case of the formation of a funding vehicle – the proposed amount to be raised, and the expected time frame for the completion of such fund raising;
- 5.5. Amount that shall be committed by Partner, per year, to the Collaboration and internal investment ratio between applied and non-applied innovations (direct investment only, not including any Partner overhead or costs);
- 5.6. In case of Partner forming a VC for the execution of the Collaboration – please advise what percent of all carried interest shall be distributed to the GP and what portion of such carried interest (or any other right) shall be allocated to Aviv Medtech.
- 5.7. Partner current engagements with other Israeli Medical Institutions;

**6. LANGUAGE OF RESPONSE**

All documents submitted in relation to this RFI (including but not limited to all attachments, schedules, annexes, sketches, drawings, diagrams, tables and charts) and any additional information, or any other communication, must be submitted in English only.

**7. SUBMISSION OF A RESPONSE**

Responses must be submitted to the undersigned by e-mail to: [elisp@tlvmc.gov.il](mailto:elisp@tlvmc.gov.il) and/or by submission at Aviv Medtech's office at the following address, no later than **July 10<sup>th</sup> 2019 by 16:00PM (Israeli time)**:

<p style="text-align: center;"><b>Aviv Medtech Ltd.</b> <b>Attention: Prof. Eli Sprecher</b> <b>Deputy Director General of R&amp;D</b> <b>Tel Aviv Sourasky Medical Center</b> <b>6 Weizmann St. Tel-Aviv, Israel</b> <b>Phone: +972-3-697-4287</b></p>
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**8. ADDITIONAL INFORMATION**

Should Partner require clarifications relating to this RFI, or if any questions arise with respect thereto, Partner may contact, in writing only, Prof. Eli Sprecher at [elisp@tlvmc.gov.il](mailto:elisp@tlvmc.gov.il).

**9. "FACE TO FACE" MEETINGS**

Aviv Medtech may conduct "face to face" meetings regarding the RFI. The face to face meetings shall be held at the Tel- Aviv Medical Center, as needed with meeting times as shall be communicated to Partner. The objective of such meetings is to discuss Partner's Response to this RFI as well as comments Partner may have to the proposed outline of the Collaboration provided that such comments are provided at least 7 days prior to the meeting date to the email address specified above. Please note that face to face meetings shall take place separately with each Partner. For the avoidance of doubt, participation in the face to face meetings is mandatory.

**10. GENERAL**

10.1. This RFI shall not be construed under any circumstances as a prerequisite or prequalification procedure.

10.2. This RFI is merely for the purpose of obtaining any relevant information for consideration purposes only, and Aviv Medtech shall not be construed as having taken any commitment to engage a Partner. Further, Aviv Medtech may at its sole discretion, request from any of the Respondents, additional information, details, approvals, recommendations and/or certificates, as shall be deemed required by Aviv Medtech.

- 10.3. Aviv Medtech may, at its sole discretion, approach one or more of the Partners and/or any other party in order to obtain additional information or proposals for the execution of the Collaboration and may conduct negotiations as it deems fit with respect to any term included in the Collaboration and enter into a contractual relationship with one and/or more of the Partners or any other party it finds suitable to conduct any other procedure it deems necessary for the benefit of the successful execution of the Collaboration.
- 10.4. It is hereby clarified that Aviv Medtech shall not be obligated to engage in any contract on the basis of this RFI and that any information presented and/or submitted to Aviv Medtech through this RFI is provided voluntarily. Aviv Medtech shall not be charged in any manner for the submission of information in accordance with this procedure and every Partner shall bear its own costs with respect to this RFI.
- 10.5. Moreover, to preclude any doubt, it is emphasized that Aviv Medtech shall have the right to reject, in whole or in part, any opinion, conclusion or information delivered to it through this RFI. Aviv Medtech shall also have the right to use the information presented and/or submitted to it for the purpose of planning and preparing a tender or any other procedure, should Aviv Medtech decide to implement one.
- 10.6. Aviv Medtech reserves the right, at any time and at its sole discretion, to amend this RFI or any aspect thereof, as well as to extend the date for submittal of the Responses. In addition, Aviv Medtech reserves the right to cancel this RFI in its entirety at its sole discretion, without providing the Partner any (or no) reason or explanation.
- 10.7. This RFI process is undertaken by Aviv Medtech for the purpose of receiving data and information, and it does not create any obligation on Aviv Medtech's part to commence, continue or complete any purchase procedure and/or to act in any other method of acquisition, and Aviv Medtech shall act at its sole and absolute discretion in this respect.
- 10.8. Aviv Medtech reserves the right to accept, in future stages, information and/or any commercial proposals from entities which did not participate in this RFI process, as Aviv Medtech shall deem fit.

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