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ISRAEL PRACTICE NEWSLETTER

VOLUME 1 | ISSUE 1 | SUMMER 2015

Jonathan Nesher, Editor

INSIDE THIS ISSUE

Samuel E. Feigin

Welcome to the Inaugural Crowell & Moring Israel Practice Newsletter (IPN)

We hope that the IPN will offer insight and information into how Israeli companies have engaged and can in the future engage the most relevant markets and strategic partners and address key business and legal issues. Similarly, we hope to provide those who might consider investing in, acquiring or partnering with Israeli companies and funds some perspective on the opportunities and issues associated with doing business in this context.

At the personal level, it has been an incredibly interesting, meaningful and fulfilling odyssey for me to serve as legal representative and strategic advisor to scores of Israeli clients and those doing business with them for many years. I have had the honor of representing, learning with and befriending some of the most talented, energetic and driven Israeli entrepreneurs, technologists, scientists, executives, attorneys and investors. So many of the entrepreneurs started with great knowledge and expertise, the thirst for knowledge and the insatiable desire to solve problems, but without financial backing or customers. They jumped without parachutes, knowing they would figure out how to defy gravity in time to ensure soft landings. They started in modest offices or apartments in Baka, Givat Ram, Herzlia, Ness Ziona, Or Yehuda, Ramat Gan, Ramat HaHayal, and of course, Lev Ha'Ir TA and successfully overcame daunting challenges in the cyber, defense, hardware, health and wellness, social media and software worlds. More often than not, they also overcame the personal challenges of traveling around the globe economy class and transplanting families for significant periods to be near their customers, strategics and investors.

Start up nation is a phenomenal and talented community. Likewise, I am surrounded by agile, creative and cutting edge colleagues at Crowell & Moring who are among the leading lawyers in areas including corporate transactions, government contracts, cybersecurity/privacy, antitrust, employment, litigation/dispute resolution and intellectual property who concentrate their efforts in the very same sectors as start up nation. Although already textured, I hope to significantly deepen and broaden the connection

between Crowell & Moring and the Israel-related business community. The sky is the limit if we have lofty goals and we work hard together to achieve them. In the immortal words of Theodore Herzl: אם תרצו אין זו אגדה If you will it, it is not a dream.

To those looking for points of entry to the Israel business ecosystem, we welcome you and we would be happy to help you navigate. To those looking for introductions to partners for transactions and to CXOs and board members to lead companies, we will connect you. To those looking for strategic and legal guidance and support, we can help you. We look forward to an incredible ride together as we maximize the opportunities for you.

Sam Feigin *is partner, chair of C&M's Israel practice, co-chair of the Emerging Companies/Venture Practice, and a member of the Life Science Steering Committee. He is a Chambers-ranked M&A/Corporate attorney and leading Employment attorney with more than 20 years of legal experience who is also the founder of the Network for US-Israel Business.*

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By Evan D. Wolff

Cybersecurity and Privacy Issues

All owners and operators of critical infrastructure are becoming increasingly vulnerable to cyber-attacks as they streamline operations by automating more equipment and running facilities and assets from hundreds of miles away with the aid of sophisticated technology. Necessary reliance on industrial automation and control systems to monitor and control physical processes and proprietary data and other sensitive information and networks puts companies at risk. As recent incidents demonstrate, threat actors, including nation states and political "hactivists", are becoming increasingly sophisticated. Rising concerns about these evolving risks and threats have prompted both legislation and the rise of companies focusing on cyber-related products and services. In particular, the cyber market in Israel is growing rapidly, with funding and support from both venture funds and major technology companies. According to Israel's National Cyber Bureau (NCB), investors poured a total of $200 million into 30 Israeli cyber companies in 2014 alone. In the first quarter of 2015, 10 Israeli companies have already received $90 million in investments.

This article describes some of the evolving cyber risks and threats all industries face from an array of threat actors and discusses mitigation opportunities an organization may consider.

Emerging Cybersecurity Risks and Threats

Reliance on enterprise networks increases vulnerability to cyber attacks

To further efficiency and cost-effectiveness, many critical infrastructure owners and operators have centralized the gathering, analysis, and dissemination of critical information, including financial and other proprietary information. Financial transactions are typically conducted over the internet and core proprietary information is stored in centralized networks. This centralized information management has given sophisticated threat actors, including those from overseas, increasingly easier access to sensitive information to facilitate cyber-attacks. In an April 2015 Executive Order, "Blocking the Property of Certain Persons Engaging in Significant Malicious Cyber-Enabled Activities", President Obama called these developments "a national emergency" and allowed the Treasury Department to freeze assets and bar other financial transactions of entities engaged in cyber-attacks that pose "a significant threat to the national security, foreign policy, or economic health or financial stability of the United States."

Political activists opposing the Israeli nation state also now have a new tool in their arsenal. Aggressive activists have turned to hacking as they attempt to disrupt companies' activities, expose confidential information, and create, at minimum, complicated public relations fiascos, possibly motivated by a desire to shame or embarrass, if not outright disrupt the operations of, such companies.

Reliance on Automated Networks, Such as ICS and SCADA, Increases Vulnerability to Cyber Attacks

Concerns also arise out of the use of automated networks such as SCADA (supervisory control and data acquisition) and ICS (industrial control systems). Like the internet, these aging systems were developed to help companies operate efficiently, but not necessarily securely. In fact, industry's reliance on systems that are often commercially available combined with the push to greater efficiency and cost-saving measures, has left the systems more exposed. As the overlap between operational and information technologies continues to grow, operational systems—typically older and lacking in sophisticated security—become more vulnerable to cyber-attacks.

Government Agencies are Increasingly Recognizing Cybersecurity as a Significant Issue

The federal government and many government entities are taking note of the increasing frequency and severity of cybersecurity threats to the nation's assets and resources – often in the hands of private ownership – and are developing frameworks and proposals encouraging and providing opportunities for the private sector to address such concerns. The U.S. and Israel are uniquely positioned to take advantage of these opportunities with increasing governmental support. In December 2014, the landmark U.S.-Israel Strategic Partnership Act of 2014 (the "Partnership Act") was signed into law. The Partnership Act affirms U.S. policy "to pursue every opportunity to deepen cooperation with Israel on a range of critical issues including . . . cybersecurity" and required the President to submit to Congress a report "on the feasibility and advisability of expanding United States-Israeli cooperation on cyber issues, including sharing and advancing technologies related to the prevention of cybercrimes."

The U.S. has long expressed its support for technologies that aid in the detection or prevention of terrorist activities. In 2002, Congress enacted the Support Anti-Terrorism by Fostering Effective Technologies Act (the "SAFETY Act"), which provides a safe harbor for providers of anti-terrorism technologies. The SAFETY Act is intended to encourage the creation of products and development of technologies that prevent, detect, identify, or deter acts of terrorism, or that limit the amount of harm any act of terrorism might cause. Given the proliferation of Israeli cyber companies in this space, there is an opportunity for the principles of the SAFETY Act to extend to Israeli cyber companies to the benefit of both countries. In fact, cybersecurity-related cooperation between the U.S. and Israel is already growing at a rapid pace. Data from the NCB shows the export of cyber-related products and services from Israel to the U.S. having doubled in the last year, from $3 billion in 2013 to $6 billion in 2014, and now representing 10 percent of the entire global cyber market.

Steps to Consider in Managing Cybersecurity Risks and Threats

Facing evolving threats and obligations, all entities need to manage cybersecurity risk efficiently and effectively. Comprehensive and coordinated risk assessments and compliance reviews led by security personnel and legal counsel whose efforts can help direct compliance efforts and preserve privilege and confidentiality for confidential business and proprietary information and data are good tools to manage risks. These efforts can help inform the development of legally compliant cybersecurity policies and procedures, operations, and incident response plans (including restoration, mitigation, and contingency plans) and testing and exercise regimes.

1. **Identify and Classify Data and Systems, Develop Cybersecurity Policies and Procedures, and Establish Governance Structure**

   A cybersecurity risk assessment and compliance review typically begins with identifying and classifying the company's sensitive and regulated data and systems a nd reviewing and updating cybersecurity policies and procedures to protect that information. A company should then consider establishing a governance structure for responsibility and oversight for those policies and procedures and implementation of protective controls.

2. **Develop Incident Response Plan, Data Breach Tool Kit, and Vendor Management Agreement**

   With this groundwork, a company should be better equipped to prepare for a cybersecurity event. Typically successful preparation activities will include development of an incident response plan and a data breach tool kit. It is also important to develop and implement vendor management agreements to help reduce the risk of vulnerabilities through third-party IT systems.

3. **Perform Testing and Training**

   Engaging a third-party network consultant to perform a privileged security assessment should also strengthen a company's readiness to defend against a cyber-attack. Training personnel and third-party vendors who likely have access to sensitive information and systems is also critical in ensuring the cyber resiliency of organizations.

4. **Participate in Information Sharing Opportunities**

   Increasingly companies in the private sector recognize that their ability to combine data from many companies, and with the government, enhances defense. Industries that share cyber-threat information can aggregate data from a larger pool of resources providing opportunities to spot and counter trends.

   Recognizing that information sharing between industry peers and with the government is essential in preventing cyber-attacks, the government is providing increasing opportunities to serve as a clearing house for critical infrastructure owners to receive and disperse information

and is considering enacting legislation to define legal protections covering information sharing.

Cybersecurity threats have the potential to exploit the increased complexity and connectivity of critical infrastructure systems, placing all entities at risk. A cyber-attack can drive up costs and have significant reputational, safety, economic and security impacts for a company or organization. The pace and complexity of the threats are growing, making it increasingly incumbent on organizations to consider adoption of flexible, dynamic, and practical approaches to cybersecurity to protect critical business information and control systems.

Evan Wolff *is partner and co-lead of C&M's Privacy & Cybersecurity practice. Prior to entering private practice, Evan served as an advisor to the senior leadership at the Department of Homeland Security (DHS) and other U.S. government agencies and was involved in the development of DHS.*

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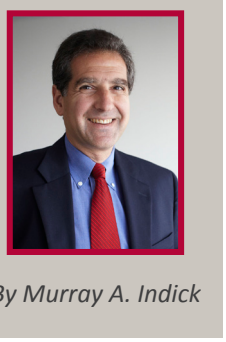

By Murray A. Indick

Investment Fund Managers and the SEC

On May 13, 2015, Marc Wyatt, Acting Director, SEC Office of Compliance Inspections and Examinations (OCIE), delivered an important speech that highlighted legal and compliance topics for investment fund managers.

Three Takeaways:

1. **Expenses and Expense Allocation** – Historically, the SEC seemed to believe that investors in private investment partnerships (hedge funds, private equity funds, venture capital funds, etc.) were sufficiently wealthy to protect their own interests. In recent years, though, OCIE has scrutinized expenses charged by investment fund managers to their limited partners/the partnership. There have been high profile enforcement actions within the past year. Mr. Wyatt's speech again emphasized the SEC's focus. Not only should the terms in limited partnership agreements spell out, in detail, those expenses borne by the general partner (SG&A and other categories) and those by the partnership, but the fund manager has to ensure that expenses passed along to limited partners are consistent with their overall fiduciary duty. Since many managers have different investment strategies, customizing terms is the key, and Mr. Wyatt suggests that it may be appropriate for fund managers to amend their agreements (potentially with consent of the limited partners).

   In our view, once a manager decides substantively those expenses that it will bear and those that the partnership will bear, it is important to make full and proper disclosure. Sponsors should pay particular attention to limited partnership agreements, private placement memoranda, marketing materials, communications to limited partners and prospective partners, and any other external content to ensure proper disclosure of expenses and allocations. Additionally, sponsors should consider whether responses to Part 2A of Form ADV should be revisited, keeping in mind Mr. Wyatt's caution that amending Part 2A is "usually not a sufficient remedy for absence of disclosure prior to fund closing."

2. **Co-Investment Allocation** – A key marketing theme, for many managers, is the opportunity for limited partners to co-invest. Mr. Wyatt's speech brings sunlight to the fairness of co-investment allocations, and suggests there have been undisclosed side arrangements by many managers. While not identifying any particular sponsors in the speech, Mr. Wyatt pointed out situations in which certain limited partners had preferred rights that had not generally been disclosed. Managers are encouraged to think about the economics of co-investments (management fees, expenses, carry) and participation rights, and then to make proper and full disclosure in documentation.

3. **Special Note to Real Estate Advisers** – Mr. Wyatt's speech was notable for the detailed focus given to private equity real estate advisers. OCIE is scrutinizing vertically-integrated real estate advisers for charge backs of the cost of employees who provide asset management services and for in-house attorneys. OCIE discovered that such fees have not been disclosed in some cases. In other cases, such fees were disclosed with a representation to investors that such fees would be at or below a market rate. OCIE wants to examine documentation that such charge backs are in fact at or below market, and, in the examinations to date, OCIE "rarely saw that the vertically integrated manager was able to substantiate claims that such fees are 'at market or lower.'" Fund sponsors that make such representations should be prepared to show examiners appropriate and documented benchmarks.

Mr. Wyatt closed with an ominous note on a potential slackening in fiduciary responsibilities given the current state of the business cycle: "Current levels of dry powder and transaction multiples make me worry that, at some point, the markets will start to recede and that the outgoing tide may reveal disturbing practices which will need to be addressed. Issues such as zombie advisers and fund restructurings may again come to the fore as we move through the business cycle." In other words, OCIE will continue to focus on sponsors who are, in staff's view, inappropriately managing funds for the sake of accumulating fees.

OCIE has significantly bolstered its examination prowess. When OCIE knocks, fund sponsors should expect a thorough examination and should be prepared in advance. We strongly encourage clients to conduct internal "mini-examinations." Compliance consultants (retained by counsel) and /or counsel can be skillfully employed on a routine basis ahead of OCIE exams.

__Murray Indick__ is senior counsel and co-chair of the firm's Emerging Companies and Investment Funds practices. He has almost thirty years of corporate law and investment firm experience. In 2015, Murray was one of just 12 attorneys from the Bay Area named to BTI Consulting Group's list of "Client Service All-Stars." __Robert Crea__ also contributed to this article.

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FATCA: Recent Tax Developments Relevant to Companies in Israel

By Jennifer A. Ray

On June 30, 2014, the United States and Israel released a "Model 1" intergovernmental agreement to implement the Foreign Account Tax Compliance Act (FATCA). The agreement is similar in substance to Model 1 agreements made with other countries.

The United States enacted FATCA in 2010 in response to the concern that many U.S. citizens were not reporting their offshore bank accounts to the IRS. FATCA thus requires foreign financial institutions to report information about U.S. account holders (FATCA is very specific about what types of institutions qualify as "financial institutions" for its purposes). As noted above, the agreement between the United States and Israel is a "Model 1" agreement. Under this type of agreement, financial entities that are subject to FATCA must report information on U.S. account holders to Israel, which in turn will report the information to the United States. Starting on July 1, 2014, Israeli companies that are required to comply but do not are subject to a 30% withholding tax on income from U.S. sources. Entities that are subject to FATCA must also register with the IRS.

Companies in Israel need to determine whether they are "financial institutions" subject to FATCA registration and reporting obligations. Regulations passed under FATCA define "financial institution" to encompass an incredibly broad range of entities. The United States-Israel agreement narrows that definition as it applies to Israeli entities. Israeli entities may need to consult both the regulations and the agreement to determine if they are subject to FATCA registration and reporting. Israeli financial institutions that register with the IRS will report information about U.S. accounts to Israel annually.

Even companies that are not "financial institutions" subject to FATCA registration will likely feel the effect of FATCA. For example, these companies will be asked to provide new Internal Revenue Service "Form W-8BEN E" to U.S. counterparties, such as banks. Unlike the old "Form W-8BEN," which was one page long, the new Form W-8BEN E is eight pages, of which seven are related to FATCA. Any company asked to provide a Form W-8BEN E will need to determine its FATCA status.

__Jen Ray__ is a partner who advises clients on a wide array of tax matters. She works with clients across a number of industries, with a particular focus on energy, health care, emerging companies, and financial institutions.

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Regulation A+ Financings

By Jeffrey C. Selman

On March 25, 2015, the SEC approved the long anticipated Final Rules to implement Title IV of the JOBS Act, or as it is being colloquially called, "Regulation A+." The SEC has published the adopting release for the Final Rules here, and the Final Rules will become effective 60 days after publication in the Federal Register. We will provide a more detailed analysis in an upcoming

Client Alert, but we wanted to provide a brief summary of our initial reactions to Regulation A+ (for our report last year on the Proposed Rules for Regulation A+, please see here).

As background, the existing Regulation A is rarely used by issuers. With the adoption of Regulation A+, the SEC hopes to provide a viable additional mechanism for capital raising to private placements using Regulation D and an Initial Public Offering using a Registration Statement on Form S-1. Time will tell whether this is the case, but the increase from the existing Regulation A in the amount of capital which can be raised using Regulation A+ and access to a broader investor base than under Regulation D, combined with additional reporting requirements that are less rigorous and costly than those imposed upon traditional reporting companies and the preemption of state securities law registration, may achieve the right balance to make Regulation A+ a tool which issuers consider using.

Access to Capital: Regulation A+ will provide two tiers for companies to raise capital. Tier 1, for offerings of securities of up to $20 million in a 12-month period, with not more than $6 million in offers by selling security-holders that are affiliates of the issuer; and Tier 2, for offerings of securities of up to $50 million in a 12-month period, with not more than $15 million in offers by selling security-holders that are affiliates of the issuer. Tier 1 gives companies a slight increase in the amount that can be raised from that contained in the existing Regulation A. Although additional reporting requirements arise (see below), in an effort to boost capital raising, Tier 2 gives companies a chance to raise significant amounts of capital from a dispersed investor group than is typical under a Regulation D private placement. In addition, as is the case with Emerging Growth Companies filing for an IPO, issuers will be able to "test the waters", including if such issuers make confidential submissions of offering circulars to the SEC for review. However, issuers will have to submit or file solicitation materials as an exhibit when the offering statement is either submitted for non-public review or filed, similar to as is required for Emerging Growth Companies, except that such solicitation materials will become publicly available as a matter of course. Furthermore, limited secondary sales will be permitted, allowing for some liquidity for securityholders, which itself can promote earlier investment into issuers.

The Final Rules will also provide an exemption from Exchange Act Section 12(g) for securities issued in a Tier 2 offering for so long as the issuer remains subject to, and is current in (as of its fiscal year end), its Regulation A+ periodic reporting obligations and meets other requirements. This will ease the regulatory burden on issuers using the regulation. However, short-Form 8-A 1934 Act registration will be possible, and thus it is conceivable that a company could use Regulation A+ to raise sufficient capital to become listed on a national securities exchange. Also, the SEC stated that it is considering encouraging the development of venture exchanges as a way to provide liquidity for smaller issuers, and are contemplating their use for Regulation A+ securities as part of that consideration.

Reporting Requirements: Although Tier 2 allows for more significant amounts of capital to be raised than is currently the case under Regulation A, there will be more reporting and disclosure requirements associated with such offerings. Tier 2 will require companies to include audited financials in offering materials as well as additional reporting requirements which will be at a lower cost than a public company. One step forward is that all offering statements under Regulation A+ will be available on EDGAR. Tier 2 issuers will also have to file annual and semi-annual reports on EDGAR, as well as current event reports which will need to be filed within four business days after the occurrence of a triggering event for the following events: fundamental changes; bankruptcy or receivership; material modification to the rights of security holders; changes in the issuer's certifying accountant; non-reliance on previous financial statements or a related audit report or completed interim review; changes in control of the issuer; departure of the principal executive officer, principal financial officer, or principal accounting officer; and unregistered sales of 10 percent or more of outstanding equity securities.

State Preemption: Regulation A+ also provides that all investors in Tier 2 offerings will be "qualified purchasers," and therefore, the regulation will preempt any state securities law registration and qualification requirements for securities offered or sold in such offerings. In doing so, it is hoped that this will create an easier regulatory path to conducting financings as issuers will only have to comply with one regulatory regime. However, the SEC does believe that state securities regulators will continue to play a vital role in the supervision of Regulation A+ securities. Specifically, state regulators will still have the jurisdiction to investigate and bring enforcement actions with respect to fraudulent securities transactions, the ability to require issuers to file with the states any document filed with the SEC, solely for notice purposes and the assessment of fees, together with a consent to service of process and any required fee, and the power to enforce the filing and fee requirements by suspending the offer or sale of securities within a given state for the failure to file or pay the appropriate fee.

The preemption which will arise for Tier 2 offerings should be contrasted with the result that occurs when public reporting

companies that are not listed on a national securities exchange conduct an offering as in such circumstance there is no state preemption. State securities regulators such as the California Department of Business Oversight do impose qualification requirements for such offerings, but will now be faced with a set of offerings over which there will be preemption. The fact that the SEC has decided to preempt state securities regulation of Tier 2 offerings did garner some debate, but the SEC ultimately concluded that it will preserve efficiencies in capital raising. As for Tier 1 offerings, those remain subject to the dual system of Federal and state oversight, although the recently developed coordinated review process which NASAA has put in place should work to improve efficiencies on those offerings as well.

We hope that the new rules when available go far enough to allow companies to access capital in areas that they were not able to under the current rules; however, it is too soon to tell whether Regulation A+ is an upgrade in name only from Regulation A. For the time being, we are continuing to advise emerging company clients which are raising capital to proceed with Regulation D private placements as we look to see how markets develop for Regulation A+ offerings.

__Jeff Selman__ is partner and serves on the firm's Corporate Group Steering Committee. He is a securities lawyer who has long focused on emerging life science companies including Israeli companies. __Joshua Reynolds__ also contributed to this article.

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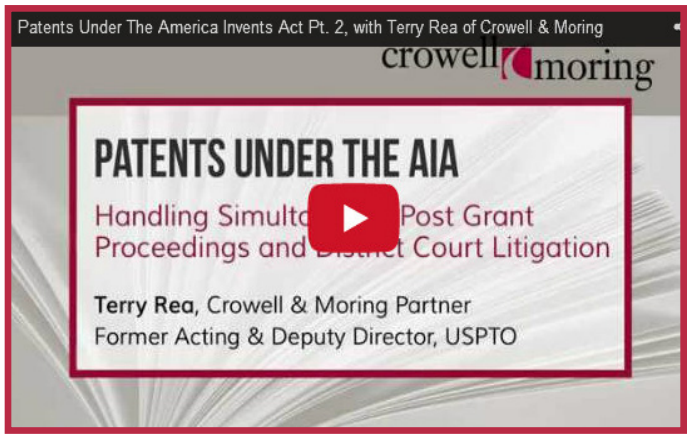
Patents Under the America Invents Act: Basics, Tends & Strategies

By Terry Rea

Terry Rea, Crowell & Moring partner, C&M International director, and former acting and deputy director at the USPTO, discusses patents under the America Invents Act (AIA) in a three-part video series.

In a series of two-minute videos, Terry outlines the basics of Post Grant Proceedings under the AIA, including where they fit in the current patent challenge landscape, what patent challenges can hope to get from a proceeding, and what patent owners should do if their patent is challenged.

Terry also discusses handling simultaneous Post Grant Proceedings and district court litigation, including considerations if a patent is involved in both and what owners can do to defend their patent, as well as recent trends and strategies under the AIA.



Visit our website to watch Terry's video discussions.
http://www.crowell.com/NewsEvents/AlertsNewsletters/all/Patents-Under-The-AIA-Basics-Trends-Strategies-VIDEO

__Terry Rea__ is the former president of the American Intellectual Property Law Association (AIPLA) and the National Inventors Hall of Fame. She is a licensed pharmacist by training and among the foremost life science focused IP attorneys.

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Crowell & Moring Speaks

Terry Rea, Keynote Speaker at the IP Best Practices Conference

C&M's Terry Ray discussing IP best practices

C&M partner and former Acting Director of the US Patent and Trademark Office, Terry Rea, was a keynote speaker at the IP Best Practices Conference in Tel Aviv, Israel on **May 13, 2015**. Terry presented in the context of a Fireside Chat on "How Trends in the USPTO May Impact Your Business."

Crowell & Moring Hosts

Jon Medved and OurCrowd Companies and Investors

Long time leader of the Israel and US emerging company/venture scene, John Medved

On **February 27, 2015**, Crowell & Moring hosted an OurCrowd event with the Maryland Israel Development Center (MIDC) in our Washington DC office. Jon Medved, Founder & CEO of OurCrowd presented on emerging technology and investment trends in Israel. Established in 2013, OurCrowd has become the world's largest equity crowdfunding platform, having raised over $100 million and invested in 57 companies including life-changing exoskeleton company, ReWalk, (NASDAQ: RWLK).

In addition, MIDC and OurCrowd announced their new strategic partnership to strengthen the technology and investment ties between Israel and the State of Maryland. Lauding the MIDC-OurCrowd partnership, Maryland's new Secretary of Business and Economic Development Mike Gill said, "The MIDC-OurCrowd partnership shows that Maryland and Israel share strengths in creative scientific discovery that attracts global investment capital."

Two companies, Consumer Physics (molecular scanners for consumer use) and MemoryMirrors (true-vision digital imaging software platform), presented their products and companies.

The event kickstarted a series of upcoming initiatives by Crowell & Moring/OurCrowd events and initiatives.

Andrew Heyer of XpresSpa and Mistral Equity Partners

OurCrowd Investor Lunch Featuring XpresSpa

On **March 26, 2015** Crowell & Moring hosted a startup lunch and discussion program in our New York office, led by OurCrowd's Vice President Andrew Scharf, featuring XpresSpa, a leading health and wellness outlet that operates out of over 40 US airports.

Scott Dubin introducing Sam Feigin and the founders of Applango and Scalabill.it to investors

More OurCrowd Investors and Companies

On **May 27, 2015** Crowell & Moring hosted a program in our Washington, D.C. office, led by Scott Dubin, Director of Investor Relations at OurCrowd and featuring presentations by Scalabill.it (streamlining and securing proof of concept for innovation discovery) and Applango (enterprise management platform for the SaaS/cloud computing market).

Israel Bonds Program featuring Dialogue between Sam Feigin and Israeli Minister of Economic Affairs on the Israeli Hi Tech Sector

C&M's Sam Feigin and Israeli Economic Minister Moshe Bar Siman Tov

On **November 17, 2014** Crowell & Moring hosted an Israel Bonds Washington: Young Investors Society event in our Washington, D.C. office. The speakers shared many vignettes and insights on the evolution of the sector over the past 20 years and responded to a wide variety of questions.

C&M and Network for US-Israel Business Hi Tech and Life Science Event

C&M's Randy Smith, Scott Weiner of Alta Nova Group and Sekhar Puli of Amdocs

Crowell & Moring, in conjunction with the Network for U.S.-Israel Business (NUIB), hosted a program at Crowell's Washington, D.C. office on May 29, 2014. The program included networking for executives representing Israeli tech and life sciences companies with U.S. industry leaders and investors. The interactive program featured panel discussions in each of three sectors: defense technology, life sciences and TMT (technology, media and telecommunications). Each panel included updates on recent sector-specific developments in Israel, as well as discussion of opportunities and challenges for Israeli companies doing business and the U.S. and for U.S.-based companies in partnering with Israel-based businesses.

Speakers included Shahar Abuhazira, the CEO of Roboteam, a producer of unmanned platforms and controllers with offices in Maryland and Tel Aviv; Ted Dumbauld, founder of Trident Advisors which invests in tech companies at the intersection of industry and military/intelligence and Board Member of Simulyze, which develops battlespace analysis and visualization software products; David Moskowitz, vice president, investor relations at San Diego-based molecular diagnostics company Trovagene, partner at Equities IQ and a 15-year Wall Street pharmaceutical

Shahar Abuhazira of Roboteam, Ted Dumbauld of Simulyze/Trident Advisors and C&M's Peter Eyre

analyst; Sekhar Puli, vice president of Amdocs, global leader in software and services for service providers in the communications, media and entertainment industry (who now leads cloud computing company, REAN Cloud); Scott Wiener, longtime telecommunications strategy and marketing executive and current partner at Alta Nova Group, which advises telecommunications investors and companies; and Guy Yachin, CEO of Virginia-based biotech companies Caerus Therapeutics and Serpin Pharma and longtime leader in the Israel-related life sciences community.

David Moskowitz of Trovagene, Guy Yachin of Serpin Pharma/Caerus Discovery and C&M's Terry Rea

Panelists also included Crowell & Moring Life Sciences and Intellectual Property Group partner and former acting director of the United States Patent and Trademark Office, Terry Rea; Crowell & Moring Government Contracts Group partner Peter Eyre, who assists companies navigating the world of doing business with the U.S. government, particularly in the defense sector; and Crowell & Moring partner Randy Smith, who chairs the firm's Antitrust Group and has represented the likes of AT&T, DuPont, and United Technologies on many of their most important deals, including the acquisition of Blades Technology from Israel's prominent Wertheimer family. The event also included a demo of Roboteam's MTGR robot which is currently being deployed by U.S. forces in Afghanistan and elsewhere.

Crowell partner Sam Feigin, who has focused on the representation of Israeli companies doing business in the U.S. and U.S. investors and strategic partnering with Israeli businesses for nearly 20 years, served as the emcee and moderated the panels.

One longtime leader in the space, Avner Parnes, who currently heads IBD World Group and has served as a public company CEO and mentored legions of American and Israeli tech executives remarked, "This was one of the best Israeli business events that I ever attended. Smart and well-connected people, great presentations, and good food."

NUIB is an informal group dedicated to facilitating the flow of Israel-related business in the U.S. and vice versa.

About Crowell & Moring's Israel Practice

Our Israel Practice provides one-stop strategic and legal advice to Israeli companies doing business in the U.S. and multinationals partnering with Israeli companies. We handle the complete array of issues that Israel-related businesses tend to experience, from intellectual property advice on the first idea, to corporate and employment representation in the establishment and financing of the entity, to securities work on the public offering, through M&A representation in conjunction with the sale of the company.

We understand the fast-paced, cutting-edge needs of Israeli companies, investors, executives and entrepreneurs. We anticipate issues and opportunities and operate proactively, quickly, and creatively. We are deeply ensconced in the most relevant sectors including:

- High Tech
- Technology, Media & Telecommunications
- Internet
- Cybersecurity
- Aerospace & Defense
- Pharmaceuticals & Life Sciences
- Energy/Clean Tech
- Retail & Consumer Products

We handle virtually every type of legal work needed by Israeli companies doing business in the U.S. and around the world. Areas of focus include:

- Mergers & Acquisitions
- Intellectual Property
- Formation of U.S. Entities & Tax Planning
- Financing, including venture capital and debt financings
- Public Offerings
- Government Contracts
- International Litigation & Dispute Resolution
- Labor & Employment
- Advertising & Product Risk Management
- International Trade and Customs
- Joint Ventures and Franchising
- Licensing and Strategic Collaborations

We facilitate business opportunities for our clients by early identification of market openings, private and government RFPs, technology trends, investor desires, compelling technology and the like, and by making introductions to potential business partners. Our extensive relationships with Fortune 500 companies, category killers, private equity leaders, and venture capital funds enable us to introduce Israeli emerging companies to the most sought after investors and strategic partners. And our vast network in the Israeli business community allows us to introduce our industry-leading multinational clients to compelling Israeli technologies and products, and those who create them.

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