

Request for Information

Regarding Corporation with the High Tech Sector

1. Introduction

- 1.1. Tel Aviv University (the “**University**”) is issuing this Request for Information (the “**RFI**”) in order to solicit responses, in connection with establishing an academic corporation with the high-tech sector, in particular with a high-tech company which meets the qualifications detailed herein, and the construction of a new state of the art research and development (“**R&D**”) centre, which will include facilities for the use of the University's Faculty of Engineering and the company (the “**Project**”).
- 1.2. The University was recently approached by a high-tech company, for the purpose of examining the establishment of an academic corporation and the construction of a new building for the use of the University’s Faculty of Engineering and of the company.
- 1.3. This RFI is intended to examine the feasibility and applicability of the Project and to solicit responses from high-tech companies which are capable and willing to execute the Project as described in this RFI and can demonstrate compliance with all of the following:
 - (i) The Participant is a high-tech company with at least 10 years of experience in substantive research and development activities;
 - (ii) The Participant operates at least three research and development centers outside of Israel, and employs at least 100 research and development employees in Israel and at least 100 research and development employees outside of Israel;
 - (iii) Based on its five most recent available Financial Statements the Participant has a positive average operating cash flow; and]
 - (iv) Based on its most recent available Financial Statements the Participant has equity of at least NIS 150,000,000.
 - (v) The company has the ability to finance from its own equity at least 30% of the construction costs of the R&D center, as mentioned in clause 2.11 hereunder, i.e. between 43 million NIS to 70 million NIS depends on the total construction costs.

2. Background

- 2.1. The University is an institution for higher education in accordance with the Higher Education Law, 1958.
- 2.2. The University is Israel's largest and most comprehensive institution of higher education and is home to about 30,000 students studying in nine faculties and over 125 schools and departments across the spectrum of sciences, humanities and the arts.
- 2.3. In response to a shortage of engineers in Israel and in order to meet student and industry demand and accelerate research, the University aims to significantly expand the capabilities and impact of its Faculty of Engineering, inter alia, through corporation with the high tech sector.
- 2.4. The University is considering an option to incorporate with a high-tech company primarily active in research and development and which meets the criteria detailed in Section 1.3 of this RFI (the “**Company**”), for the purpose of: (i) establishing an academic corporation; and (ii) construction of an R&D center.
- 2.5. It is envisaged that the Company, in coordination with the University, will establish an extensive academic corporation plan aimed at exposing students and researchers to the high-tech industry and integrating hi-tech based activities at the University campuses, in curricula and in research, inter alia, through: (i) joint studies in collaboration with students, researchers and senior faculty; (ii) joint scientific conferences; (iii) conducting joint research; (iv) student internships; and (v) educational programs involving the community.
- 2.6. To serve the needs of the University and for the execution of the Project, the University is considering the allocation of 12,000 sq. m. - 20,000 sq. m. of landed estate, for the purpose of constructing an R&D center, which will include laboratories, classrooms, auditoriums, office spaces, an underground parking lot with a capacity for 250 - 300 parking spaces, landscaping and any other feature which the University will deem required for the successful operation of the R&D center, all to be constructed to meet the standards of a new university building.
- 2.7. At least one third of the R&D center (an estimation of 3,600 sq. m. - 6,000 sq. m.) will be allocated, free of charge, for the use of the University's Faculty of Engineering. The remaining of the R&D center will be made available for the use of the Company for a period of 24.5 years (including the construction period).
- 2.8. It is expected that at the end of the 24.5 years period (including the construction period) the Company will be required to vacate the R&D center.
- 2.9. The overall cost of the construction of the R&D center is estimated at NIS 120,000,000 - NIS 200,000,000. The construction of the underground parking lot is estimated at an addition cost which varies between NIS 25,000,000 - NIS 30,000,000.

- 2.10. It is expected that the construction of the R&D center will be executed pursuant to a competitive process which will be conducted by the University in collaboration with the Company and in accordance with applicable law, including the Mandatory Tenders Regulations, (Institutions for Higher Education) 2010.
- 2.11. The Company, will be required to finance the construction of the R&D center and the academic cooperation (30% of which will be required to be financed as equity) and in return the Company will be entitled to be exempt from future rent payments or any part thereof as shall be determined by the University.
- 2.12. If pursuant to a competitive process as described in Section 2.10 of this RFI, the cost of the R&D center will be lower than the estimated cost set forth in Section 2.9 of this RFI, the Company shall be expected to increase the space built and allocated for the use of the University's Faculty of Engineering.

3. Information Requested

The University is inviting Participants who are capable and willing to carry out the Project to provide a detailed response to the following inquires:

- 3.1. Please describe the Participant's area of expertise and the relevance of the Participant's expertise to the Project. Please elaborate on the Participant's compliance with the criteria detailed in Section 1.3 of this RFI.
- 3.2. Please share your views regarding the proposed structure of the Project detailed herein, in particular with respect to the feasibility and practicability of the Project, the expected timeframe for construction, and the financing scheme. In doing so, please provide, inter alia, your estimation for the following:

Size of the R&D centre	Size of the land for the use of the University's Faculty of Engineering	Overall cost of the Project	Required parking spaces for the use of the Company	Equity to be invested in the Project	Timeframe for the execution of the Project

Please include a brief business plan.

- 3.3. Please provide your suggested proposal for an academic corporation plan. In your response kindly refer to, at least, the following: (i) joint studies in collaboration with students, researchers and senior faculty; (ii) joint scientific conferences; (iii) conducting joint research; (iv) student internships; and (v) educational programs involving the community.

4. Instructions for Submission

- 4.1. The University appreciates the participation of Participants in this RFI process. In order to allow for an effective process, please submit the responses in writing, in English or Hebrew, to the tender box located at the second floor of the Engineering and Maintenance Division Building in the University.
- 4.2. A response to this RFI is required to be submitted on or before 30th august until 12pm.
- 4.3. Without derogating from Section 6.11 below or from the discretion granted to the University, please mark, in a clear, complete and legible manner, information contained in the response which is considered commercially sensitive or of a secret nature, and the University will, to the extent allowed by law, refrain from disclosing such information and shall ensure that any of its consultants shall act accordingly.
- 4.4. The University is not requesting a proposal, detailed plans, marketing material, budgetary information or proprietary information in response to this RFI.
- 4.5. Upon receiving a response, the University will initiate a review and may contact the Participants to follow up with additional questions and clarifications or to conduct one-on-one meetings with some or all Participants.
- 4.6. The University looks forward to reviewing the responses and welcomes the participation of Participants in the RFI process.

5. Clarifications and Questions

Questions and clarifications can be directed in writing to Miss. Ofri Elron via email, ofriel@tauex.tau.ac.il.

6. General

- 6.1. This RFI is a preliminary process initiated by the University, solely for the purpose of receiving information and its internal evaluation and consideration, and does not constitute a tender, a bid solicitation, a proposal or a request for proposals in any manner whatsoever.

- 6.2. The Project description as specified in this RFI is general and indicative only. The issuance of this RFI is not intended to give rise to or create any representation, undertaking or warranty on behalf of the University or anyone on its behalf with respect to the Project, and the issuance of this RFI is not intended to guarantee the initiation, execution or the implementation of the Project, its scope, its components or any part thereof.
- 6.3. The University does not represent or warrant that the information contained in this RFI or any other information which is made available to Participants is either complete or accurate.
- 6.4. Participation in this RFI does not and shall not provide a Participant or any other entity with any advantage, nor will it confer upon a Participant any right with respect to the Project or any future proceedings which will be conducted with respect thereto, if and to the extent conducted (including the pre-qualification process or the tender process). Participating in the RFI does not and shall not constitute or be interpreted as constituting a recognition of a Participant's or any other entity's eligibility, qualification or competence to participate in any such future proceedings, to the extent conducted.
- 6.5. The University may publish a new request for information and/or an invitation to pre-qualify or other proceedings with respect to the Project or any part thereof, publish a different project, inviting or not the Participants to take part in such process, or execute the Project in any other way deemed appropriate, all subject to and in accordance with applicable law.
- 6.6. The University reserves the right to request additional information (in writing or otherwise) as it deems necessary, to ask for site visits to facilities operated by the Participant, to carry out professional inquiries regarding any Participant, including by way of contacting third parties, and to invite any of the Participants to meet with University representatives.
- 6.7. The University may use any information it receives from a Participant or any third party for any purpose it deems fit at its sole discretion, including forming specifications or any other documents, and may transfer any such information to any of its consultants or any person on its behalf.
- 6.8. Participants shall not be entitled to any payment for the information provided by them in this process. All expenses incurred by a Participant or anyone on its behalf shall be borne solely by the Participant. Participants shall not be entitled to any reimbursement or compensation for expenses with respect to their participation in this RFI.
- 6.9. The University shall not be responsible or liable towards a Participant or anyone on its behalf in connection with the RFI, including in connection with information provided by the University or anyone on its behalf at any time and such information's accuracy.

- 6.10. The University reserves the right, at its sole and absolute discretion, to amend this RFI. In addition, the University reserves the right to cancel the process of this RFI in its entirety, at any time and at its sole discretion.
- 6.11. This RFI is subject to the Israeli law including the Mandatory Tenders Regulations, (Institutions for Higher Education) 2010, and the obligation to disclose information in accordance with the provisions of Section 38(F) thereof.