



The Hebrew University of Jerusalem

Syllabus

FINANCING AND EXITS IN HIGH TECH COMPANIES - 62229

Last update 16-08-2022

HU Credits: 2

Degree/Cycle: 2nd degree (Master)

Responsible Department: Law

Academic year: 0

Semester: 1st Semester

Teaching Languages: Hebrew

Campus: Mt. Scopus

Course/Module Coordinator: Adv. Barry Levenfeld

Coordinator Email: barry@arnon.co.il

Coordinator Office Hours: Before or after class, coordinated in advance

Teaching Staff:

Barry Levenfeld,
Kobi Ben-Shitrit,
Netanel Sterman

Course/Module description:

The development over recent decades of Israel as “Start Up Nation” has been accompanied by the creation of a specialized legal practice which focuses on providing legal services to high-tech companies and their investors. The course will open with a short description of the unique characteristics of high-tech companies. Then, we will analyze fund raising transactions, particularly venture capital investments and private issuance of shares, including more recent financing techniques as crowd-funding, incubator/accelerators and the like, SAFE and CLA investment agreements, with a stress on the practical aspects of these transactions. Thereafter, we will discuss exit transactions: mergers and acquisitions of high-tech companies, as well as initial public offerings, including reverse mergers into public shells. We will review and discuss the typical deal structures, contractual aspects and legislative aspects of each type of transaction, emphasizing the real world considerations that go into representing the companies, their founders and their investors.

Course/Module aims:

Ensuring that the participant thoroughly understands the practical legal aspects of the two most significant events in the life of a hi-tech company: raising funds from investors and exits (through a public offering, merger, or acquisition).

Learning outcomes - On successful completion of this module, students should be able to:

Understanding the practical legal aspects of the two most significant events in the life of a hi-tech company: raising funds from investors and exits, as well as familiarity with the main transaction documents governing each financing or exit transaction and issues arising in connection therewith.

Attendance requirements(%):

10% of the final grade consists of class attendance.

Teaching arrangement and method of instruction: Lecture; course materials provided online. Some of the lectures will be in English.

Course/Module Content:

1. Introduction to high tech practice, Financing basics
2. Setting up start-ups: where and how; founders arrangements
3. Transaction Basics – term sheets, due diligence, comprehensive agreements, cap tables
4. Contractual Provisions – Venture Capital Financing
5. Definitive Agreements – Venture Capital Financing (share purchase agreements, articles of association, investor rights agreements, CLAs and SAFEs)
6. Relevant Israeli Legislation
 - brief overview of corporate, securities, IAA and other applicable laws
7. Introduction to M&A – or “Who put the “M” into M&A?
8. Acquisition Techniques: Asset Acquisitions, Share Acquisitions (including tender offers) and mergers (including the famed “reverse triangular merger”);
9. Comparison between acquisition techniques; take over defenses (including the “poison pill”)
10. M&A Contract Basics (term sheets and definitive agreements)
11. IPO’s on TASE
12. IPO’s in USA

Required Reading:

Course materials provided on the course’s website

Additional Reading Material:

Course/Module evaluation:

End of year written/oral examination 0 %
Presentation 0 %
Participation in Tutorials 10 %
Project work 90 %
Assignments 0 %
Reports 0 %
Research project 0 %
Quizzes 0 %
Other 0 %

Additional information:

Some of the lectures will be in English.