

## **ADVISORY SERVICES AGREEMENT**

This **Advisory Services Agreement** (“**Agreement**”), dated as of the [ ] day of [ ], 2015, is entered into between and among Shanghai Alliance Investment Co. Ltd., a company incorporated under the laws of the People’s Republic of China (“**PRC**” or “**China**”), with a business address at No. 19, GaoYou Road, Xuhui District, Shanghai, PRC (“**SAIL**”); Mr. Ehud Barak, holder of Israeli I.D. No. 009700360 (“**Mr. Barak**”) and Professor Benad Goldwasser, holder of Israeli I.D. No. 050310622 (“**Prof. Goldwasser**” and together with Mr. Barak the “**Founders**”). In this Agreement, each of SAIL and the Founders (and EBG as applicable) may also be referred to herein as a “**Party**”, and collectively as the “**Parties.**”

### **WITNESSETH:**

**WHEREAS**, SAIL is a private equity and venture capital arm of Shanghai Municipal Government and encourages the establishment and development of companies in Shanghai have cutting edge technologies in the healthcare and life science sectors;

**WHEREAS**, the Founders have extensive contacts among Israel’s business leaders and extensive expertise and experience in Israel’s cutting edge healthcare and life science technologies sector;

**WHEREAS**, SAIL desires to acquire certain rights or invest in technologies from Israeli healthcare and life sciences technology companies which have a developed products (even if such product has not received regulatory approval) or is in the late stage of developing a product (except where SAIL asks for earlier stage companies) (“**Target Companies**”);

**WHEREAS**, SAIL and the Founders desire to establish new portfolio companies (each, a “**Portfolio JV**”) which shall acquire certain exclusive technology rights for use in PRC including an exclusive right for future developments, improvements and commercialization and associated production files and technology transfer from Target Companies for use in PRC (“**Technology Rights**”);

**WHEREAS**, SAIL desires to appoint the Founders (directly or through a company, partnership or other entity controlled by them which will be formed prior to executing the Agreement, “**EBG**” or “**New Entity**”) as investment adviser (“**Investment Adviser**”) to assist SAIL to identify and evaluate potential Target Companies and Technology Rights, and the Founders (directly or through EBG) desire to be so engaged, all as further described herein; and

**WHEREAS**, the Parties have executed a Memorandum of Understanding on \_\_\_\_, 2015 (“**MOU**”) and intend to enter into a definitive agreement to implement the terms and conditions set out in the MOU.

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed between and among the Parties hereto as follows:

ARTICLE I.  
BUSINESS MODEL

1.1 The transactions contemplated herein this Agreement shall take the forms of the following models. In this Agreement, transactions in each of the models indicated in Sections 1.2, 1.3, 1.4 and 1.5 shall be referred to herein as “Contemplated Transactions.”

1.2 “Copy Paste” Model. A “Copy Paste” Model is a model whereby SAIL Group (defined hereinafter) or a Portfolio JV acquires, on an exclusive basis, the Technology Rights for use in PRC. The Technology Rights shall apply to PRC only, and the Portfolio JV shall be prohibited from selling products based on the Technology Rights outside of PRC, unless the Parties agree otherwise. SAIL’s prior consent shall be required for each and every acquisition of the Technology Rights. Founders and EBG shall, at the request of SAIL Group, pursue to obtain customary representations and warranties, covenants and other protections from the Target Companies as SAIL Group deems appropriate to protect SAIL Group’s interest in such Technology Rights. In addition, at the request of SAIL Group, Founders and EBG shall pursue to obtain a right of first refusal, a call option or other protective covenants for SAIL Group or the Portfolio JV to purchase or otherwise secure the continuing use of the Technology Rights from the Target Company, should the Target Company go through any sale, liquidation or transfer of all or substantially all of its shares or assets to a third party, so that SAIL Group or the Portfolio JV’s rights and interests in the Technology Rights will not be adversely impacted by such event. After the Technology Rights have been acquired by the Portfolio JV or SAIL Group, EBG shall be responsible for following up with the Target Companies to achieve technology advancement and subsequent development.

(a) “SAIL Group” Definition. **“SAIL Group”** shall mean: (i) certain investment fund(s) to be established and controlled (“control” meaning 50% or more voting control of the general partner or management entity of such fund) by SAIL to implement the terms of this Agreement (the **“SAIL Fund”**); and (ii) SAIL Fund’s majority owned (meaning 50% or more ownership interest), direct or indirect subsidiaries and portfolio investments, *provided that* with respect to indirectly-owned subsidiaries or portfolios, they will be viewed as entities within SAIL Group only if (a) SAIL Fund owns, on a consolidated basis, 50% or more ownership interest in such indirectly-owned subsidiaries or portfolios, and (b) SAIL Fund has direct or indirect voting control of such indirectly-owned subsidiaries or portfolios, as applicable.

(b) Formation of Portfolio JV. Depending on the needs of particular transactions and subject to relevant regulatory requirements, SAIL Group and the

Founders may jointly establish a Portfolio JV for one or more particular transactions. The Founders' aggregate equity interests in each such Portfolio JV shall equal 10% of the direct or indirect equity interest held by SAIL Group in each such Portfolio JV. For the avoidance of doubt, the Founders' equity interest shall entitle them to 10% of any additional direct or indirect ownership interest SAIL Group acquires in each Portfolio Company. Conversely, if SAIL Group's interest in a Portfolio JV is diluted by third party investors, Founders' interests shall be reduced accordingly. At all times Founders' interest therein shall equal 10% of SAIL Group's interest. In case that foreign nationals are not allowed to be the individual shareholders in such Portfolio JV, due to the specific regulations or laws in PRC, then EBG will be entitled to receive the corresponding equity interests. If foreign parties (foreign individuals or entities) are not allowed to become shareholders of record of the Portfolio JV, the Parties will discuss an alternative structure to address Founders' economic rights in the Portfolio JV, such as a trustee or nominee shareholder arrangement.

1.3 Direct Investment Model. A Direct Investment Model is a model whereby SAIL Group invests a minority stake without taking Control in the Target Companies introduced by the Investment Adviser, and the transaction is closed with the assistance from the Investment Adviser. "**Control**" means a 50% or more ownership interest.

1.4 Acquisition Model. An Acquisition Model is a model whereby SAIL Group acquires all or a majority stake with Control of the Target Companies introduced by the Investment Adviser, directly or indirectly, and if the transaction is closed with the assistance of the Investment Adviser.

1.5 Other Model. The Other Model is a model whereby SAIL Group enters into any agreements not covered by Sections 1.2, 1.3 or 1.4, with a company introduced by the Investment Adviser, and if the transaction is closed with the assistance of the Investment Adviser. The Parties will discuss and agree separately the terms and conditions of such Other Model (including terms of compensation)

## ARTICLE II. APPOINTMENT OF ADVISER

2.1 Appointment. SAIL Group hereby appoints the Founders directly or through EBG as Investment Adviser to assist SAIL Group's business development activities in Israel including identifying and analyzing potential business partners and targets for the Contemplated Transactions, performing due diligence investigations, structuring and negotiating the terms of the Contemplated Transactions, and making recommendations as to disposing of or otherwise resolving the Contemplated Transactions. The Investment Adviser hereby accepts such appointment and agrees to provide to SAIL Group the services set forth in this Agreement.

2.2 EBG Matters. EBG shall be formed for the purposes of facilitating the Founders to provide services as Investment Adviser ("**Investment Advisory Services**") and the Project Team (defined hereinafter) shall dedicate its business to Contemplated

Transactions pursuant to the terms of this Agreement. In this Connection, Founders commit to SAIL the following:

(a) EBG shall be legally established and validly existing through the Term (hereafter defined in Section 6.1);

(b) The Founders shall cause the Project Team to devote all their time and energy exclusively to the Investment Advisory Services contemplated herein this Agreement;

(c) The Founders shall cause EBG not to engage in any other activities which compete with SAIL Group or the Contemplated Transactions;

(d) The Founders shall cause EBG to maintain a professional investment team comprising 3 to 4 key investment professionals (in addition to the Founders) and 1 to 2 administrative or supporting staff (the “**Project Team**”) through the Term and EBG shall send biographies of the Project Team members to SAIL for record. Should the Project Team reduce the numbers of professionals or supporting staff, the Annual Budget (defined hereunder in Section 4.1) shall be adjusted accordingly;

(e) The Founders shall cause each member of EBG to promptly declare any conflicts of interest;

(f) The Project Team members shall become full-time employees of EBG, and enter into service/employment agreements with EBG for a period no less than the Term, subject to standard and customary leaver or termination clauses;

(g) To protect intellectual property rights and confidentiality, the Founders shall cause the Project Team to enter into confidentiality agreements with each of the Project Team’s members;

(h) All investment materials, reports, studies, methodologies, deal database, valuations and other know-how or materials developed by EBG and the Project Team for the Investment Advisory Services and the Contemplated Transactions stipulated herein this Agreement using the Annual Budget (defined hereunder in Section 4.1) remain solely the property of SAIL Group;

(i) Exhibit I illustrates the corporate matters that SAIL Group shall have the right to consent.

2.3 Authority. Notwithstanding anything herein to the contrary, the Investment Adviser shall have no authority to bind, or to enter into any obligation on behalf of, SAIL Group.

2.4 Standard of Care. In carrying out its duties hereunder, the Investment Adviser shall act for the benefit of SAIL Group with all reasonable care, diligence and prudence customarily expected of an investment adviser in discharging its duties to an advisory client.

2.5 Compliance with Laws. The Investment Adviser hereby acknowledges and agrees that, in all matters relating to the performance by it or its officers or employees of the obligations set forth herein, the Investment Adviser shall comply with, and shall cause its members, officers and employees to comply with all applicable requirements of all applicable laws and regulations of the PRC, Israel and any other relevant foreign jurisdictions. Without limiting the foregoing, the Investment Adviser hereby acknowledges and agrees that all transactions, negotiations, discussions or any dealings with any foreign person by the Investment Adviser or its officers and employees pursuant to this Agreement must be made in full compliance with any applicable anti-corruption law of the PRC, Israel, or any other relevant jurisdiction.

2.6 License and Permit. Investment Adviser is not subject to any government license or permit to carry out Investment Advisory Services under this Agreement, or if such license or permit is required, Investment Adviser maintains valid license or permit. Investment Adviser has all necessary power, authority and licenses to enter into this Agreement and to perform its obligations contemplated hereby. Investment Adviser is duly qualified to conduct business in any jurisdiction where such qualification is required.

2.7 No Conflict. The performance by Investment Adviser of Investment Advisory Services under this Agreement does not and will not contravene any agreement or contract to which Investment Adviser is a party or by which Investment Adviser is bound, or any judgment, order, decree, writ or injunction issued against the Investment Adviser or any provision of any laws applicable to the Investment Adviser.

2.8 Actions. There are no pending actions, suits, proceedings or investigations to which the Investment Adviser is a party before any court or other governmental authority which may have an adverse impact on the obligations contemplated by this Agreement.

### ARTICLE III. POWERS AND DUTIES OF THE INVESTMENT ADVISER

3.1 Duties of the Investment Adviser. Subject to the provisions of this Agreement, the Investment Adviser shall assist SAIL Group in identifying and analyzing prospective Contemplated Transactions, performing due diligence investigations, structuring and negotiating the terms of the Contemplated Transactions, and recommending dispositions or other resolutions of Contemplated Transactions. In taking such actions, the Investment Adviser shall, in accordance with all applicable laws and regulations, and subject to the direction of SAIL Group:

(a) use their respective skills, experience, contacts and reputation in order to assist SAIL Group's business strategy in Israel. If so requested by SAIL Group, the Founders will: (i) travel to Shanghai [\*] times a year to discuss Israeli opportunities and present potential Target Companies; (ii) assist SAIL Group in designing the transaction structure, participate in commercial negotiations and assist in conclusion of Contemplated Transactions; (iii) if requested by SAIL, represent SAIL

Group on the boards of directors of its Israeli portfolio companies should SAIL Group decide to invest directly in Target Companies; and (iii) assist SAIL Group if so requested in establishing a technology hub in Shanghai or another place as mutually agreed by the Parties based on the acquired Technology Rights to conduct research and development, improvement or commercialization of the same.

(b) advise SAIL Group in connection with its efforts to identify, analyze and advise on the viability of opportunities for Contemplated Transactions in Israeli healthcare and life science sectors, and identifying potential Target Companies and evaluating their technologies, by doing the following:

i. working with SAIL to formulate detailed screening standards, technology standards or investment criterion for screening of the potential Targeted Companies and Technology Rights;

ii. conducting preliminary screening of 100 – 150 potential Target Companies each year;

iii. presenting 25 – 40 potential Target Companies each year to a joint committee with representatives from SAIL Group and EBG;

iv. after SAIL Group's committee members have decided on which potential Target Company to focus on, performing due diligence with respect to the selected potential Target Companies, and preparing written and detailed reports with recommendations to the joint committee. SAIL Group shall retain the right to conduct due diligence, together with or independently from, the Project Team. SAIL Group shall also retain the right to take the lead in key commercial negotiations for the Contemplated Transactions;

v. after SAIL Group's committee members have decided on to which potential Target Company a proposal will be made, preparing written and detailed investment proposals for the joint committee, and performing further due diligence and augment such proposals, as reasonably requested by SAIL Group;

vi. endeavoring to space the presentation of potential Target Companies to the joint committee as evenly as possible over the course of each year during the Term;

(c) subject to availability from potential Target Companies and SAIL Group's execution of an NDA with the applicable potential Target Company, provide certain documents and materials regarding the recommended projects including technology and products analysis, financial statements, and summary of market conditions;

(d) upon the approval of a proposed investment by SAIL Group, advise SAIL Group in connection with its efforts in structuring, negotiating, signing and closing the Contemplated Transactions;

(e) advise SAIL Group in connection with its efforts in monitoring the Contemplated Transactions post-acquisition or investment;

(f) if requested by SAIL, represent SAIL Group on the boards of directors of Target Companies post-investment;

(g) upon the approval by SAIL Group of the disposition or other resolution of the Contemplated Transactions, advise SAIL Group in connection with its efforts to identify purchasers for, and structure and negotiate the sale of, all or a portion of such Contemplated Transactions;

(h) if requested by SAIL, pursue to obtain a right of first refusal, a call option or other protective covenants from the Target Company in order for SAIL Group or the Portfolio JV to purchase or otherwise secure the right to continue to use the Technology Rights, should the Target Company go through any sale, liquidation or transfer of all or substantially all of its shares or assets to a third party, so that SAIL Group or the Portfolio JV's rights and interests in the Technology Rights will not be adversely impacted by such event.

Without limiting the generality of the foregoing and notwithstanding any provision in this Agreement, the Investment Adviser shall not attempt to acquire or divest any Contemplated Transactions on behalf of SAIL Group or commit SAIL Group to do so without the prior written approval of SAIL Group.

3.2 Execution of Decisions of SAIL Group. Subject to the provisions of this Agreement, the Investment Adviser shall, immediately upon written receipt of any decision or directions from SAIL Group, take any necessary actions to execute the such decision or directions. Notwithstanding the foregoing, unless this Agreement provides otherwise, the Investment Adviser shall for all purposes of this Agreement be deemed to be an independent contractor with respect to SAIL Group and nothing in this Agreement, unless otherwise specified, shall be construed so as to deem the Investment Adviser a partner, joint venturer or an agent of SAIL Group. Unless expressly authorized, the Investment Adviser shall not have the authority to act for, to represent or bind SAIL Group in any way other than as set forth herein.

### 3.3 Obligation to Devote Business Time.

(a) Mr. Barak shall act as Chairperson of EBG and shall dedicate significant time to EBG's activities and providing Investment Advisory Services as commensurate with his role as Chairperson during the Term;

(b) Prof. Goldwasser shall act as EBG's CEO and shall dedicate a majority of his business time to EBG's activities during the Term. Prof. Goldwasser's other detailed responsibilities shall be set out in Exhibit II attached hereto.

3.4 Conflict of Interest. The Investment Adviser shall promptly disclose any conflict of interest including any interest it has (not arising under the Agreement) in any

potential Target Company. For the purposes hereof, such interest will include any interest of the Founders' and EBG's officers, directors, employees and other affiliates.

ARTICLE IV.  
COMPENSATION OF THE INVESTMENT ADVISER

4.1 Advisory Fees. In consideration of the Investment Advisory Services rendered by the Investment Adviser and EBG pursuant to this Agreement, the Investment Adviser and EBG shall be entitled to receive from SAIL Group an aggregate advisory fees equal to an annual budget for EBG to be agreed by the Parties ("Annual Budget"). The initial Annual Budget for the first year of the Term shall be US\$2,500,000 as set forth in Exhibit III and any subsequent change to the budget amount shall require the agreement of all Parties. The Advisory Fee for the first year (US\$2,500,000) shall be paid by SAIL (or its designated entity) to EBG in four equal quarterly payments payable at the end of each quarter, with the first payment to be made in [30] days after the execution of this Agreement and the formation of the SAIL Fund. For each subsequent year during the Term, the Parties shall, during the first quarter of such year, review the actual expenses incurred under Annual Budget and the status of performance of Investment Advisory Services for the preceding year and determine the Annual Budget for the current year in good faith and on as needed basis. Once the Annual Budget is determined by the Parties, SAIL shall pay the Advisory Fee in an amount equal to the Annual Budget in four equal quarterly payments payable at the end of each quarter, with the first payment to be made within [30] days after the Annual Budget was determined. EBG shall bear all costs of its day-to-day operations hereunder including compensation of employees and rental of offices, and costs and expenses for rendering Investment Advisory Services hereunder including, without limitation, identifying, investigating, screening, evaluating and preparing investment proposal for potential Target Companies and travel to Shanghai by the Founders and others in accordance with Section 3.1.

4.2 Copy Paste Model. If a Contemplated Transaction is closed in the form of Copy Paste Model, Investment Adviser shall be entitled to an interest in the Portfolio JV pursuant to Section 1.2(b).

4.3 Direct Investment Model Compensation. If a Contemplated Transaction is closed in the form of Direct Investment Model, EBG shall be entitled to a call option exercisable until an exit of such Target Company and at SAIL Original Investment Cost (defined hereunder) to purchase up to 5% of the shares held by SAIL Group directly or indirectly in such Target Company; *provided that*, if an exit event is consummated within 24 months of the closing of such investment by SAIL Group, then such call option shall be deemed to be exercisable for 6% of the shares held by SAIL Group directly or indirectly in such Target Company. "SAIL Original Investment Cost" shall mean any proceeds paid by SAIL Group to the seller(s) of the Target Company or the Target Company for the acquisition of underlying shares or assets of the Target Company under the definitive agreements plus any transaction costs incurred by SAIL Group to consummate the transaction (including, without limitation, legal, accounting and other professional advisers' fees). If the exercise by EBG of its call option is not feasible due



to regulatory reasons or corporate governance or other reasons of the Target Company, the Parties will discuss in good faith to come up an alternative to allow that EBG be entitled to the same economic benefits as if it had exercised the call option.

4.4 Acquisition Model Compensation. If a Contemplated Transaction is closed in the form of Acquisition Model, EBG shall be entitled to a payment as set forth in Exhibit IV.

4.5 Other Model Compensation. If a Contemplated Transaction is closed in the form of Other Model, the Founders and/or an entity controlled by the Founders shall be entitled to certain proceeds which shall be discussed and determined case by case.

4.6 In case that EBG is not able to possess the rights described in Sections 1.2(b) or 4.3 or 4.4 through the entrustment or commitment of SAIL, due to the specific regulations of state-owned enterprise or requirements of capital operation, SAIL will work with EBG to find a solution for EBG's direct holding of certain equity interest in such Target Companies and to ensure that the economic benefits EBG is entitled to under this Agreement are preserved.

## ARTICLE V.

### CONFIDENTIALITY; EXCLUSIVITY

5.1 Confidentiality. Any information of confidential or proprietary nature (including information pertaining to prospects) exchanged between the Parties shall be maintained in confidence by the recipient of such information, shall not be disclosed to any other parties without specific permission of the disclosing Party and may not be used by the recipient of such information, except for the purpose of performing its obligations hereunder. The Investment Adviser shall preserve and shall take reasonable and appropriate steps to ensure that its members, officers and employees preserve the confidentiality of the investment advice and analysis provided by the Investment Adviser to SAIL Group and of any other information received from SAIL Group, or its directors, officers, employees or agents, except such information that previously has been made public by SAIL Group or is otherwise available in the public domain. All books of account and business records and correspondence relating to the business and investments of the SAIL Group shall at all times remain the property of SAIL Group.

### 5.2 Exclusivity.

(a) EBG shall be SAIL Group's exclusive representative in Israel in the healthcare, life science, medical device and pharmaceuticals sectors during the Term, *provided however*, that such exclusivity shall not apply to the Israeli companies listed in Exhibit V to the Agreement (the "Excluded Companies"). Notwithstanding the foregoing, in the event that an Israeli company in the healthcare, life science, medical device and pharmaceuticals sectors contacts SAIL Group directly and expresses its desire to work with SAIL Group not via EBG, then such exclusivity shall not apply to such companies, *provided however*, that EBG shall be entitled to all of the consideration set forth in this Agreement in connection with any Contemplated Transactions set forth with

any such company, *provided that* if requested by SAIL Group, EBG shall provide Investment Advisory Services for such Contemplated Transactions pursuant to the terms of this Agreement.

(b) SAIL Group shall be EBG's exclusive PRC partner in the healthcare, life science, medical device and pharmaceutical sectors during the Term, and EBG (including Founders) shall not solicit or accept any engagement by any third party to conduct transactions similar to the Contemplated Transactions hereunder in the PRC during the Term.

## ARTICLE VI. TERM; TERMINATION

6.1 Term of Agreement. The initial Term of this Agreement shall commence as of the date hereof and shall continue for three years. The Term of this Agreement may be extended by mutual consent from the Parties to five years.

### 6.2 Termination.

(a) This Agreement may be early terminated by mutual consent of the Parties;

(b) If a Party materially breaches its obligations under this Agreement and if such breach is not cured within [30] days after a notice from the non-breaching Party, the non-breaching Party shall have the right to terminate this Agreement immediately.

(c) If, during the Term, either of Mr. Barak or Prof. Goldwasser is unable to dedicate to EBG the time commitment specified in Sections 3.3(a) or 3.3(b), as applicable, SAIL Group may, upon six months advance written notice, terminate the Agreement. Should Mr. Barak be elected as a government leadership role in Israel and be unable to satisfy his role as Chairperson in EBG as indicated in Section 3.3(a), both Parties shall consult in good faith to come up with a solution.

### 6.3 Effect of Termination.

(a) Upon termination of this Agreement, the Investment Adviser shall not be entitled to any further payment of any Annual Budget after the termination date and the Investment Adviser shall promptly repay to SAIL Group any unearned portion of such Annual Budget based on the number of calendar days remaining in the current calendar quarter on the effective date of termination.

(b) The right to payment of consideration under Sections 4.2 to 4.5 and EBG's rights under Section 1.2 in connection with Technology Rights acquired during the Term shall survive the expiration of the Term.

(c) After the termination of this Agreement, Investment Adviser shall have continuing responsibilities in projects which were closed prior to the termination

(“**Existing Projects**”) to ensure the smooth exits of such Existing Projects. Investment Adviser’s obligations in the preceding sentence shall survive the termination of this Agreement. If SAIL Group desires to take over the management of the Existing Projects, Investment Adviser, shall, at the request of SAIL Group, remove its representatives appointed to the board or other roles of the Existing Projects and promptly transfer to SAIL Group all documents and materials relating to the Existing Projects, in which case Investment Adviser shall remain available to address any inquiries of SAIL Group from time to time.

ARTICLE VII.  
MISCELLANEOUS

7.1 Taxes and Transaction Costs. The Investment Adviser shall be responsible for the payment of any applicable taxes (including, without limitation withholding taxes) imposed in connection with or in respect of any amounts paid or payable to the Investment Adviser pursuant to this Agreement and shall indemnify SAIL Group if it incurs any liability in respect thereof. If SAIL Group is advised by counsel that payments hereunder to the Investment Adviser are subject to any applicable withholding taxes, SAIL Group shall be entitled to make all appropriate withholdings from the payments to the Investment Adviser hereunder. Each Party shall bear its own transaction costs relating to the preparation, negotiation and execution of this Agreement.

7.2 Amendments. This Agreement may not be amended or modified in whole or in part except by a written agreement specifically describing such amendment or modification dated and signed by the Parties.

7.3 Section Headings; Preamble. All article and section headings are inserted for convenience only and shall not modify or affect the construction or interpretation of any provision of this Agreement. The preamble to this Agreement is incorporated herein and forms an integral part of this Agreement.

7.4 Severability. If any term or provision of this Agreement or the application thereof to any party or circumstances shall be held invalid or unenforceable, the remaining terms and provisions hereof and the application of such term or provision to the parties hereto or circumstances other than those to which it is held invalid or unenforceable shall not be affected thereby.

7.5 Governing Law. This Agreement and the rights and obligations of the Parties hereto shall be governed by and construed in accordance with the laws of the PRC, without reference to any conflict of law or choice of law principles that might apply the law of another jurisdiction.

7.6 Entire Agreement. Except as provided herein, this Agreement constitutes the entire agreement between and among the Parties with respect to the matters referred to herein. This Agreement supersedes all prior agreements or understandings between and among the Parties hereto with respect to the subject matter hereof.

7.7 Assignment. No Party may assign its rights and obligations under this Agreement without the consent of the other Parties, *provided however*, that the Founders shall be entitled to assign all of their rights and obligations hereunder to EBG (except for the Founders' obligations expressly set out in this Agreement) and SAIL shall be entitled to assign its rights and obligations hereunder to its subsidiaries and to a fund controlled by SAIL.

7.8 Arbitration. Any dispute arising from or in connection with this Agreement shall be submitted to the China International Economic and Trade Arbitration Commission ("CIETAC") for arbitration before a panel of three arbitrators (each Party (the Founders and EBG shall be treated as one party, and SAIL shall be another party) shall appoint one arbitrator with the third arbitrator jointly appointed by the Parties or if such joint appointment is not made in 20 days, the head of CIETAC shall appoint the third arbitrator) which shall be conducted in accordance with the CIETAC's arbitration rules in effect at the time of applying for arbitration. The arbitral award is final and binding upon the Parties. The arbitration shall be conducted in Beijing and in both English and Chinese.

7.9 Survival. The provisions of Section 5.1,6.3,7.1,7.5 and 7.8 of this Agreement shall survive the termination of this Agreement.

7.10 No Waiver. No failure or delay on the part of any party hereto in exercising any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy. No waiver of any provision of this Agreement shall be effective unless the same shall be made in writing and signed by the Party against whom such waiver is sought to be enforced.

7.11 Signature by Fax, Counterparts. This Agreement may be signed by fax and in one or more counterparts which together will constitute the same document.

[Signature Page Follows]

IN WITNESS WHEREOF, each of SAIL and the Founders has caused this Investment Advisory Agreement to be executed by its officer duly authorized as of the day and year first set forth above.

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SHANGHAI ALLIANCE INVESTMENT CO. LTD.      EHUD BARAK

By:

Title:

Chop:

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PROFESSOR BENAD GOLDWASSER

## EXHIBIT I. SAIL GROUP'S RIGHT TO CONSENT

SAIL Group may not disrupt day-to-day business of EBG but shall have the right to consent the following matters of EBG to ensure that EBG has the capability to provide Investment Advisory Services during the Term:

- i. Commencement of any dissolution, winding up or liquidation proceedings of EBG;
- ii. Entry into of any investment advisory or service agreements with any third party, or any other agreements which in SAIL Group's view will have an adverse impact on its capability to provide Investment Advisory Services to SAIL Group;
- iii. Any changes to EBG's main business;
- iv. Appointment or removal of any key Project Team members or changes of their compensation not covered under the Annual Budget;
- v. Appointment by EBG of any advisers outside the ordinary course of business;
- vi. Sale, transfer, lease or license of any asset (including intellectual property rights) relating to Contemplated Transactions to or from any third party;
- vii. Entry into of joint venture, partnership or merger with any other legal entity;
- viii. Incorporation of any new legal entity;
- ix. Adoption or amendment of Annual Budget or business plan;
- x. Initiation of any litigation, arbitration or mediation proceedings relating to Contemplated Transactions or the settlement or waiver of any right in connection thereof;
- xi. Issuance of shares to any other parties other than the Founders;
- xii. Permit transfer of shares held by the Founders to any third party;
- xiii. Repurchase, redemption or reduction of shares issued;
- xiv. Pledging, encumbrance or otherwise granting security over any asset;

- xv. Provision of guarantees to any third party;
- xvi. Granting of any loans or credit to any third party;
- xvii. Entry into of any one-arm's length contracts with any party (including its shareholders, directors, managers and Project Team members); and
- xviii. Incurring of any capital expenditure commitment outside the Annual Budget.

SAIL Group shall also have the information right to promptly receive EBG's quarterly and annual financial reports and any other material information relating to Contemplated Transactions.

**EXHIBIT II. EBG CEO's OTHER RESPONSIBILITIES**  
**[To be inserted]**



### EXHIBIT III. INITIAL BUDGET

Budget for Year 1:

<b>Salaries (total)</b>	<b>per year (cost)</b>	<b>per month (cost - 30%)</b>	<b>Israeli Currency</b>
Benad	\$312,000	\$26,000	₪ 98,800
Manager	\$312,000	\$26,000	₪ 98,800
Ehud Barak	\$312,000	\$26,000	₪ 98,800
Dan	\$234,000	\$19,500	₪ 74,100
Analyst	\$124,800	\$10,400	₪ 39,520
Admin	\$54,600	\$4,550	₪ 17,290
<b>Car leasing</b>			
Benad	\$21,600	\$1,800	\$ rate
Manager	\$21,600	\$1,800	3.8
Ehud Barak			
Dan	\$13,200	\$1,100	
Analyst	\$9,600	\$800	
Admin			
<b>Insurance for directors</b>	\$18,000		
<b>Administration</b>			
Administration and bookkeeping	\$35,000		
travel and entertainment expenses	\$200,000		
<b>Subcontractors</b>			
Accountant	\$30,000	for 4-5 due diligence (\$20K per DD)	
Financial & legal DD	\$120,000	for 4-5 due diligence (\$25K per DD)	
IP Lawyers for DD	\$125,000	for 4-5 due diligence (\$15K per DD)	
technological and market experts for DD	\$75,000		
subscription to professional content			
Translation	\$10,000		
<b>Offices</b>			
rent	\$180,000	\$15,000	
Office materials	\$12,000		

<b>Salaries (total)</b>	<b>per year (cost)</b>	<b>per month (cost - 30%)</b>	<b>Israeli Currency</b>
IT services	\$15,000		
Municipal taxes, electricity, cell phones	\$24,000		
<b>Marketing</b>			
online marketing (website, linkedin, etc.)	\$5,000		
<b>Miscellaneous</b>	<b>\$50,000</b>		
<b>Subtotal</b>	<b>\$2,314,400</b>		
<b>Set up fees (legal, office construction, office furniture)</b>	\$166,667	<b>\$500K to be divided over 3 years</b>	
<b>Total</b>	<b>\$2,481,067</b>		

#### EXHIBIT IV. ACQUISITION MODEL COMPENSATION

Total Value of Acquisition Transaction (in millions US\$)	Percentage EBG compensation
Up to 100	2%
100-200	1.5%
More than 200	1%

Total Value of Acquisition Transaction means for each transaction in Acquisition Model, whether it is contemplated to be consummated in one or more tranches.

Compensation to EBG is to be cumulative. For example, if a transaction in Acquisition Model has a total value of \$250M, EBG shall be compensated 2% on the first \$100M, 1.5% on the next \$100M and 1% on the remaining \$50M.

For the avoidance of doubt, the “total value of a transaction in the Acquisition Model” shall mean the equity value of the target (i.e., enterprise value minus debt and debt-like items) or the net proceeds payable to the sellers of the target or the target in order to acquire equity or assets, in either case subject to relevant price adjustment mechanisms set out in the definitive agreement of such transaction. In addition, “total value of a transaction in the Acquisition Model” shall exclude any proceeds payable under any post-close management incentive/retention programs or earn-out arrangements. The value of a transaction in the Acquisition Model will be included in the compensation calculation only if the closing of such transaction has occurred.

**EXHIBIT IV. EXCLUDED COMPANIES**  
**[SAIL to provide]**