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**YIGAL ARNON & CO.**  
ADVOCATES AND NOTARY

February 11, 2009

Mark Kronforst  
Division of Corporation Finance  
Securities and Exchange Commission  
100 F Street, N.E.  
Mail Stop 6010  
Washington, DC 20549

Re: IncrediMail Ltd.  
Form 20-F for Fiscal Year Ended December 31, 2007  
File No. 000-51694

Dear Mr. Kronforst:

On behalf of IncrediMail Ltd. (the "Company"), we submit the following responses to the comments raised by the Commission staff (the "Staff") in its letter of comment dated December 30, 2008 (the "Comment Letter"). To assist in the Staff's review, we have repeated the Staff's comments in bold and the headings and numbers correspond to the headings and numbers in the Comment Letter.

As referenced in our responses, we also have enclosed herewith Amendment No. 1 to the Company's Form 20-F initially filed on May 12, 2008.

**Form 20-F for the year ended December 31, 2007**

**Item 15. Controls and Procedures**

**(a) Disclosure Controls and Procedures, page 69**

1. We note your disclosure that your Chief Executive Officer and Chief Financial Officer have concluded that, as of December 31, 2007, you "have in place effective controls and procedures designed to ensure that information disclosed by [you] in the reports [you] file or submit under the Exchange Act and the rules thereunder, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms." Revise your future filings to clarify, if true, that your officers concluded that your disclosure controls and procedures are also effective to ensure that information required to be disclosed in the reports that you file or submit under the Exchange Act is accumulated and communicated to your management, including your chief executive officer and chief financial officer, to allow timely decisions regarding required disclosure. See Exchange Act Rule 13a-15(e).
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**YIGAL ARNON & CO.**

**Response:** The Company acknowledges the Staff's comment and will revise its future filings to clarify its officers' conclusions regarding whether the Company's disclosure controls and procedures are also effective to ensure that information required to be disclosed in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including its chief executive officer and chief financial officer, to allow timely decisions regarding required disclosure.

**(b) Management's Annual Report on Internal Control Over Financial Reporting, page 69**

2. **Please revise your future filings to identify the framework used to evaluate the effectiveness of your internal controls over financial reporting. See Item 15F(2)(b)(2) of Form 20-F.**

**Response:** The Company acknowledges the Staff's comment and will revise its future filings to identify the framework used to evaluate the effectiveness of our internal controls over financial reporting. The Company supplementally advises the Staff that its management uses the framework set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in "Internal Control – Integrated Framework" in making its evaluation.

**(c) Changes in Internal Control Over Financial Reporting, page 69**

3. **In future filings, revise the disclosure "no material changes in [y]our internal control over financial reporting..." to remove the term "material."**

**Response:** The Company acknowledges the Staff's comment and will remove the referenced term from its future filings.

**Item 18. Financial Statements**

**Consolidated Statements of Operations, page F-5**

4. **You indicate on page 27 that you derive revenue from, among other sources, your Junkfilter Plus service, advertising agreements, and collaboration arrangements. Please tell us how you considered Rule 5-03(b)(1) with respect to these revenue streams.**

**Response:** The Staff comment is fully noted, the Company supplementally informs the Staff that it considered Rule 5-03(b)(1) with respect to its revenue streams, and the Company supplementally wishes to clarify to the Staff that its *JunkFilter Plus* anti-spam service program, content database and advertising are add-on features over the Company's IncrediMail Xe or IncrediMail Premium products. These revenues can be generated only through the usage of our products. As for the collaboration revenues – these revenues are immaterial and constitute less than 5% of the Company's total revenues. Additionally, the Company believes that providing this information will not provide useful information to the financial statements users as they are all related to the sale of the Company's products. Furthermore, the Company supplementally submits to the Staff that it provided the segregated information in Note 13(b) to its financial statements as of December 31, 2007 as required by Paragraph 37 to SFAS No. 131 "*Disclosure about Enterprise and Related Information*".

**YIGAL ARNON & CO.**

**Item 19. Exhibits**

**Exhibit 12.1 and 12.2**

**5. Please amend your filing to revise your certifications to include the introductory language of paragraph 4 and the language of paragraph 4(b) of Item 12 of the instructions to Item 19 of Form 20-F.**

**Response:** In response to the Staff's comment, the Company has filed an Amendment No. 1 to its Form 20-F to include the revised certifications, as contemplated by Section 246.13 of the Compliance and Disclosure Interpretations of Regulations S-K.

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We appreciate your time and attention to the Company's responses to the Staff's comments. Should you have any additional questions or concerns, please call me at 972-3-608-7726 or Nahal A. Nellis, Esq. at 972-3-608-7753.

Sincerely,

/s/ David Schapiro

David Schapiro, Esq.

cc: Yacov Kaufman (IncrediMail Ltd. - Chief Financial Officer)  
Mark Shannon (Securities and Exchange Commission)

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**SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**Amendment No. 1 to**

**FORM 20-F**

**REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR 12(g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2007

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

**SHELL COMPANY REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of event requiring this shell company report.....

For the transition period from \_\_\_\_ to \_\_\_\_

Commission File No. 000-51694



**IncrediMail Ltd.**

(Exact Name of Registrant as specified in its charter)

N/A

(Translation of Registrant's name into English)

**Israel**

(Jurisdiction of incorporation or organization)

**4 HaNechoshet Street  
Tel Aviv, Israel 69710**

(Address of principal executive offices)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of Each Class  
None

Name of Each Exchange on which Registered  
None

Securities registered or to be registered pursuant to Section 12(g) of the Act.

**Ordinary shares, par value NIS 0.01 per share**  
(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act.

None  
(Title of Class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the Annual Report.

As of December 31, 2007, the Registrant had outstanding 9,475,943 ordinary shares, par value NIS 0.01 per share.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act

Yes  No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

Yes  No

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Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Indicate by check mark which financial statement item the registrant has elected to follow.

Item 17  Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act):

Yes  No

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## EXPLANATORY NOTE

This Amendment No. 1 to our Annual Report on Form 20-F for the year ended December 31, 2007, or Amendment No. 1, amends our Annual Report on Form 20-F for the year ended December 31, 2007 initially filed with the Securities and Exchange Commission, on May 12, 2008, or the Originally Filed 20-F. This Amendment No. 1 contains amended Exhibit 12.1 and Exhibit 12.2, which inadvertently omitted certain required language.

Other than the foregoing items, no part of the Originally Filed 20-F is being amended. Amendment No. 1 does not reflect events occurring after the filing of the Originally Filed 20-F and does not modify or update the disclosures therein in any way other than as required to reflect the amendments described above.

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## SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this Amendment No. 1 to its annual report on its behalf.

IncrediMail Ltd.

By: /s/ Ofer Adler

\_\_\_\_\_  
Ofer Adler  
Chief Executive Officer

Date: February 11, 2009

## EXHIBIT INDEX

<u>No.</u>	<u>Description</u>
1.1	Memorandum of Association of Registrant (1)
1.2	Certificate of Change of Name of Registrant (translated from Hebrew) (1)
1.3	Amended and Restated Articles of Association of Registrant, dated February 3, 2006 (2)
4.1	Google AdSense™ Online Standard Terms and Conditions (4)
4.2	OEM Agreement, effective December 7, 2004, between Commtouch Ltd. and the Registrant (1)
4.3	The Registrant's 2003 Israeli Share Option Plan and the form of Option Agreement (1)
8	List of all subsidiaries. (4)
11	Code of Conduct and Ethics (4)
12.1	Certifications required by Rule 13a-14(a) or Rule 15d-14(a) executed by the Chief Executive officer of the Company
12.2	Certifications required by Rule 13a-14(a) or Rule 15d-14(a) executed by the Chief Financial officer of the Company
13	Certification required by Rule 13a-14(b) or Rule 15d-14(b) and Section 1350 of Chapter 63 of Title 18 of the United States Code (4)
14	Consent of Kost Forer Gabbay & Kasierer, an affiliate of Ernst & Young Global, Independent Auditors (4)

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- (1) Previously filed with the SEC on October 25, 2005 as an exhibit to our registration statement on Form F-1/A (File No. 333-129246).
- (2) Previously filed with the SEC on January 5, 2006 as an exhibit to our registration statement on Form F-1/A (File No. 333-129246).
- (3) Previously filed with the SEC on January 26, 2006 as an exhibit to our registration statement on Form F-1/A (File No. 333-129246).
- (4) Previously filed with the SEC on May 12, 2008 as an exhibit to our Form 20-F.

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**EXHIBIT 12.1**

CERTIFICATIONS

I, Ofer Adler, Chief Executive Officer of IncrediMail Ltd., certify that:

1. I have reviewed this annual report on Form 20-F of IncrediMail Ltd.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;
4. The Company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and
5. The Company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: February 11, 2009

/s/ Ofer Adler

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Ofer Adler,  
Chief Executive Officer

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**EXHIBIT 12.2**

CERTIFICATIONS

I, Yacov Kaufman, Chief Financial Officer of IncrediMail Ltd., certify that:

1. I have reviewed this annual report on Form 20-F of IncrediMail Ltd.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;
4. The Company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and
5. The Company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: February 11, 2009

/s/ Yacov Kaufman

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Yacov Kaufman,  
Chief Financial Officer