

Tender No. 41614

For Electric and Solar Trackside Rails Lubricators

for Various Types of Rails ("Tender")

General Terms and Conditions

Israel Railways Ltd. ("ISR"), in accordance with its obligations under the Israeli Mandatory Tender Laws, its implementing regulations and the International Agreement on Government Procurement, wishes to obtain bids for:

The manufacture, supply and installation of electric trackside lubricators ("ETL") and solar trackside lubricators ("STL"; altogether the "TRL") for a period of five (5) years (the "**Agreement Period**"), all in accordance with and subject to the terms specified in these General Terms and Conditions and the accompanying Tender Documents.

1. Pre-requisites for Participation in the Tender (the "Pre-requisites"):

- 1.1. The bidder must be the manufacturer and supplier of the proposed TRL.
- 1.2. The bidder has manufactured and supplied, commencing from the beginning of the year 2011 and onwards, at least forty (40) Electric Trackside Lubricators and Solar Trackside Lubricators in total.

2. Proof of Compliance with the Prerequisites:

- 2.1. Bidder shall prove full compliance with the Prerequisite specified in Section 1 above, by submitting to ISR all the details, documents and confirmations required under the provisions of the Prerequisites which shall include, *inter alia*, the following:
 - 2.1.1. Bidder shall prove its full compliance with the Prerequisite set forth in Section 1.1, by submitting a declaration certifying that it is the manufacturer and supplier of the proposed TRL.
 - 2.1.2. Bidder shall prove its full compliance with the Prerequisite set forth in Section 1.2 by submitting a signed and completed Experience and Reference List, in the form attached hereto as Appendix D, evidencing that Bidder has manufactured and supplied from 2011 and onwards, at least forty (40) electric trackside lubricators and solar trackside lubricators in total.
- 2.2. In addition, Bidder shall submit additional proof such as reports and other relevant documentation.
- 2.3. Notwithstanding the aforesaid, ISR reserves its right, at its sole discretion, not to disqualify proposals which do not contain all the documents and certificates necessary to prove its compliance with the Prerequisites. ISR shall have the right, at its sole discretion, to request from any of the Bidders, details and/or approvals and/or

recommendations and/or certificates and/or additional documentation, required in order to allow ISR a full and complete review of the aforementioned.

- 2.4. Bidder shall undertake to maintain its compliance with the Prerequisites specified in Section 1 above at all times, up to and/or including the Proposal Validity Period as set forth in Section 17 below.

3. **Technical Requirements**

All bids must comply with all of the requirements and terms included in the Technical Specifications (**Appendix A**).

4. **Governing Agreement**

- 4.1. The design, manufacture, supply and installation of the TRL, including but not limited to, the price, terms of payment, scope of liability, responsibility and all other general and legal terms for the engagement with the Winning Bidder (the "**Supplier**"), shall be governed by the terms and conditions of the Agreement (**Appendix C**). The Agreement and the annexes attached thereto constitute an inseparable part of this Tender.
- 4.2. Each Bidder agrees to be bound by the Agreement in the event that it is chosen as the Supplier. Once the Supplier is chosen and the Agreement executed, the provisions of the Agreement shall take precedence over the provisions of this Tender in the event of a contradiction between them.

5. **Purchase Order**

- 5.1. ISR intends to issue a Purchase Order for the TRL (the "**Initial Purchase Order**") within two (2) months from the effective date of the Agreement (the "**Effective Date**") subject to the terms and conditions set forth in the Agreement.
- 5.2. The Purchase Order as detailed in this Section shall consist of the following:
 - 5.2.1. 3 (Three) Electric TRL.
 - 5.2.2. 27 (Twenty-seven) Solar TRL.
- 5.3. During the Agreement Period, ISR in its sole discretion shall have the option to purchase up to twenty (20) additional TRL from the Supplier – Solar and/or Electric, upon ISR's sole discretion (the "**Optional TRL**"). The relevant terms and conditions detailed in this Tender, including its Appendices, shall apply, *mutatis mutandis*, to the Optional TRL.

6. **Delivery Terms**

- 6.1. The terms of supply and delivery of the TRL shall be "Delivered At Place" (DAP) (as that term is defined in Incoterms 2010, International Rules for the Interpretation of Trade, ICC Publication No. 715), to a site further specified at ISR's sole discretion in Israel (the "**Site**"), as specified in the Agreement.

- 6.2. Without derogating from the aforementioned, it is hereby clarified that the responsibilities of the Supplier shall include the cleaning of the containers, and unstuffing and unloading at the Site, at no extra cost.

7. **Delivery Time**

The time of delivery for the supply of the TRL and completion of all final acceptance procedures (including Training, as defined in the Agreement) shall not exceed 120 days DAP at Site from the issuance of a Purchase Order (as defined in the Agreement) ("**Delivery Time**").

8. **Spare Parts**

- 8.1. The Bidder shall undertake in its proposal that in the event of being elected as the Supplier, and during a period of at least ten (10) years commencing on the date of completion of the Warranty Period for the TRL and Optional TRL (as detailed in the Agreement), it will supply ISR with all spare parts and tools necessary to maintain and repair the TRL and Optional TRL, as well as to adapt a single TRL from ETL to STL and vice-versa (the "**Spare Parts**"), if needed. Following such ten (10) years, if a spare part is no longer available on the market, the Supplier will offer ISR an adequate substitute at a comparable price.
- 8.2. The Bidder shall include, as part of its proposal, a list of all necessary and recommended Spare Parts and their prices, in the form attached hereto as **Appendix E** (the "**Spare Parts List**"). The Spare Parts List shall be in English or Hebrew and shall quote the delivery time, description, original manufacturer's name, part number of original manufacturer and the prices DAP (ISR's Site) for each Spare Part, which shall remain fixed for a period of two (2) years from the Final Submission Date.
- 8.3. As from the 2nd anniversary of the Final Submission Date, the Proposed Prices for the Spare Parts shall be adjusted once a year to the European Consumer Price Index (HICP E27 - Overall index, Monthly Index, (2005=100), as published on the Eurostat website: <http://epp.eurostat.ec.europa.eu/portal/page/portal/hicp/data/database> ("**HICP**").
- 8.4. The basic index for the HICP shall be the last known index on the Final Submission Date.
- 8.5. Notwithstanding the aforesaid in Sections 8.1-8.4, after a period of five (5) years commencing on the date of completion of the Warranty Period for the TRL and Optional TRL, as detailed in the Agreement, the prices of the Spare Parts List stated in **Appendix E** shall be negotiated between ISR and the Supplier, on the basis of the present Spare Parts List prices.

9. **Warranty**

- 9.1. Each TRL shall be fully warranted by Supplier for a period of twenty-four (24) months from the date of issuance of the Final Acceptance Certificate for the TRL and the Optional TRL (the "**Warranty Period**").

- 9.2. During the Warranty Period, Supplier shall immediately repair or replace any faulty part, component or system of the TRL, all subject to the terms set forth in the Agreement (the "**Warranty**").
- 9.3. The cost of the Warranty, including the costs of spare parts needed for such repair or replacement, labor, required equipment and any other cost related thereto, shall be borne and paid solely by the Supplier, and be considered as part of the Proposed Price for the Initial Purchase Order and/or Optional TRL, as applicable, all as detailed in the Agreement.

10. **Price Proposal**

- 10.1. The Bidder shall provide the proposed price for the Initial Purchase of the TRL (the "**Proposed Price for the TRL**") and the proposed price for the purchase of the Optional TRL (the "**Proposed Price for the Optional TRL**"), which shall be as specified in the Bidder's Proposal Form, attached hereto as **Appendix B** in accordance with the following instructions.
- 10.2. The Prices shall be quoted in Euro currency and shall be inclusive of all of the services and equipment specified herein, including, the Warranty and all other works and services detailed under the Agreement.
- 10.3. The Proposed Price for the TRL is the final, complete and inclusive price that will be paid to Supplier for the manufacture, supply and installation of the TRL and all drawings and documentation related thereto and all costs related to the Warranty and the accompanying services to be provided by Supplier during the Warranty Period and/or the term of the Agreement. Supplier shall not be entitled to any other payment, fee or compensation whatsoever from ISR.
- 10.4. The Proposed Price for the Optional TRL shall be fixed and shall not be linked to any price increase mechanism for a period of two (2) years from the Final Submission Date. As from the 2nd anniversary of the Final Submission Date, the Proposed Price for the Optional TRL shall be linked to the European Consumer Price Index all as specified in **Annex B**.
- 10.5. The Prices include any sum which the Israeli Tax Authorities require to be withheld at source. The amounts required by the applicable law to be withheld at source by the Israeli Tax Authorities shall be deducted from all sums set and shall be paid to the Israeli Tax Authorities.
- 10.6. The Prices shall also include all taxes, fees, duties, licenses, costs or other payments that are to be paid in connection with the exportation, supply and delivery of the TRL, including but not limited to all types of importation and custom duties and services, such as transportation costs, customs agents' fees, purchase tax (in Hebrew "Mas Kniya" or "מס קנייה"), wharfage fees (in Hebrew "Dmei Ratzif" or "דמי רציף"), Israeli customs duties, port handling fees (in Hebrew "Dmei Nitul" or "דמי גיטול"), port infrastructure fees (in Hebrew "Dmei Tashtit" or "דמי תשתית"), cleaning of the containers, stuffing and unloading of the containers, cam locks for discharging the TRL at port, supervision while discharging at port, discharging terms at port, etc. Notwithstanding the above, Israeli Value Added Tax, if applicable, shall be borne by

ISR. For the sake of clarity, the Prices shall include any sum which the Israeli Tax Authorities require to be withheld at source.

10.7. The Proposed Price for the TRL shall include a Price per Unit and a Total Price. In the event of a contradiction between the Price per Unit and the Total Price, the Price per Unit shall prevail, and ISR may amend the Total Price in order to correctly reflect the Price per Unit quoted by the Bidder.

10.8. Each Bidder shall solely bear all costs associated with the preparation and submission of its bid. This shall include, without limitation, any and all expenses and losses, which may be incurred by Bidder, consultations with professionals, conducting investigations and inquiries of any kind, preparation of surveys and documents and the authentication and translation thereof and any other aspects in connection with the bid. ISR will in no case be responsible or liable for any of the above costs, nor shall it be required, under any circumstances, to reimburse any such costs to any Bidder.

11. Terms of Payment

Payment by ISR to the Supplier shall be as set forth in the Agreement.

12. Evaluation process and selection of Winning Proposal

12.1. The evaluation of the bids submitted by Bidders shall be conducted by ISR in accordance with the following process:

12.1.1. Stage A – Preliminary Evaluation –

12.1.1.1. **Stage A1** – Pre-Requisite: Bidders will be evaluated in accordance with Section 1 above.

12.1.1.2. **Stage A2** - Technical Evaluation –The Technical Proposals of Bidders who satisfy Stage A1 shall be evaluated in accordance with the Technical Specifications.

12.1.2. **Stage B – Commercial Evaluation** – ISR shall open the commercial proposals of Bidders who satisfied Stage A above.

12.1.3. The Winning Bidder shall be the Bidder whose proposal fully complies with the Pre-requisite specified in Section 1 above, as well as the Tender's requirements, and has the lowest TEP (Total Evaluated Price), as specified in Section 5 of the Bidder's Proposal Form (Appendix B).

12.1.3.1. When reviewing the proposals submitted, ISR reserves the right, in its sole discretion, to take into consideration negative past experience of ISR and/or any other entity with any particular bidder and ISR may reject any particular proposal based solely on such past experience.

12.1.3.2. Without derogating from the above, before nominating the Winner Bidder, ISR may upon its sole discretion (but shall not be obligated to) require the Bidder, whose proposal fully complies with the Pre-requisite specified in Section 1 above, as well as the Tender's requirements, and has the lowest TEP, to allow ISR and/or its representatives to visit and inspect such Bidder's Factory and/or Bidder's customers in order to evaluate such Bidder's ability to comply with its undertakings and warranties in this Tender including the

Agreement. Such Bidder shall make its best reasonable efforts to accommodate such visit as soon as requested by ISR. ISR reserves the right, under its sole discretion, to reject and/or disqualify a proposal in the event the Bidder does not accommodate such visit at all and/or in the time frame required by ISR and/or such visit raises doubts with regards to the accuracy of Bidder's warranties in the Tender and/or the Agreement and/or its ability to comply with its undertakings under this Tender including the Agreement.

13. Submission of Proposals

- 13.1. All proposals must be submitted no later than **February 22, 2017 by 13:00 (Israel time)** ("**Final Submission Date**") in three (3) separate envelopes, as specified below and these shall all be inserted into one main envelope, which shall read "Tender No. 41614" (hereinafter: the "**Main Envelope**") at the address set forth below. ISR shall be entitled to postpone the deadline at its sole discretion.
- 13.2. The proposal shall be submitted by a single Bidder. Proposals submitted by more than one Bidder will be disqualified.
- 13.3. The proposal is to be submitted in three (3) copies into Tender Box No. 8, located at the following address:

| |
|--|
| Israel Railways Ltd. Contracting & Procurement Division – Tender Box #8 Tel Aviv Central Train Station (Savidor) Tel Aviv, Israel |
|--|

- 13.4. The Bidder is requested to read carefully all of the documents attached herein and submit the following documents which should be included in the Main Envelope, signed, where applicable, by the authorized signatory bodies.
- 13.5. An envelope which shall read "**Commercial Proposal -Tender 41614**" shall be inserted in the Main Envelope and shall include the following:
- 13.5.1. A signed and completed Bidder's Proposal Form (**Appendix B**).
- 13.5.2. A signed and completed Spare Parts List Form (**Appendix E**).
- 13.6. A separate envelope which shall read "**Pre-requisites - Tender 41614**" shall be inserted in the Main Envelope and shall include the following:
- 13.6.1. A signature on the last page of the Agreement (**Appendix C**), including the Bidder's relevant information in the heading thereof (excluding the date) and including the Bank Account Form, attached to the Agreement as **Annex C (only the Supplier is required to complete part B of the Bank Account Form)**.
- 13.6.2. A signed and completed Experience and Reference List, in the form attached hereto as **Appendix D**.

13.7. A separate envelope which shall read "**Technical Proposal - Tender 41614**" shall be inserted in the Main Envelope and shall include the following technical information:

13.7.1. A signed copy of the Technical Specifications (**Appendix A**).

13.7.2. Company profile of the Bidder and its expertise; Company profile of any subcontractor and its expertise; relevant information and data regarding the TRL.

13.7.3. Two (2) sets of instructions regarding the packing, transporting and storage and instructions of the TRL in English or in Hebrew.

13.7.4. Any and all drawings, documentation, information and certifications required pursuant to the Technical Specifications.

13.7.5. All information shall be submitted also in a soft copy (PDF file format).

14. **General**

The following appendices are attached hereto:

- Appendix A*** - Technical Specifications;
- Appendix B*** - Bidder's Proposal Form;
- Appendix C*** - A copy of the Agreement;
- Appendix D*** - Experience and Reference List;
- Appendix E*** - Spare Parts List;

15. **Proposal Validity**

All submitted proposals must be valid until at least twelve (12) months from the Final Submission Date as set forth above (the "**Proposal Validity Period**"), and may not be revoked or changed by the Bidder during this period for any reason whatsoever. In the event that ISR shall not enter into a contractual relationship with the Supplier, for any reason whatsoever, and/or the agreement with the winning Bidder will be cancelled, ISR shall be entitled to elect, as a winning proposal, the proposal which achieved the next lowest TEP. The terms set forth in this section shall apply, *mutatis mutandis*, following the replacement of the Bidder's proposal as aforesaid.

16. **Verification**

ISR shall have the right, at its sole and absolute discretion, to verify the recommendations and other documents provided by the Bidder, and to request from any of the Bidders additional details, approvals, recommendations and/or certificates. In addition, ISR may, at its sole and absolute discretion, upon prior coordination with the Bidder, inspect the facilities of such Bidder at any time or any facilities where components of the TRL proposed by the Bidders are being manufactured. ISR may, at its sole and absolute discretion, contact and/or visit each of the customers detailed in **Appendix D** in order to check and evaluate the Pre-requisites, the Technical Proposal, and/or Bidder's Proposal.

17. **Negotiations**

17.1. ISR reserves the right, at its sole discretion, to conduct negotiations with any of the Bidders in this Tender that it finds suitable, with respect to their commercial and/or technical proposal, or not to conduct negotiations at all.

17.2. Without derogating from the above, ISR shall have the right to instruct all Bidders whose Commercial Proposals were evaluated, to submit an additional improved Commercial Proposal in the event that all bids received are less favorable to ISR than the ISR estimation and/or to cancel the Tender. Bidders hereby forfeit any claim in the event that ISR shall decide to act in such manner.

18. **Language of Bids**

All documents submitted by the Bidder in this Tender (including but not limited to all attachments, schedules, annexes, sketches, drawings, diagrams, tables and charts) and any additional information, question, request for clarification and interpretation, or any other communication, must be in English or Hebrew only, unless otherwise specifically stated in the Tender Documents or approved by ISR.

19. **Confidentiality and Proprietary Rights**

19.1. By participating in the Tender process, each Bidder is deemed to have agreed to keep in strict confidence, and not to disclose and not to make any use of any information or data, or any form or media, partial or complete, provided to them by ISR on its behalf or made known to them otherwise as a result of or in connection with the Tender; except that each Bidder may use such information or data solely for the purpose of preparing its bid. It is hereby clarified that this Section 19 shall not apply to documents and/or information published by ISR on its website.

19.2. By submitting a bid, each Bidder (including its members) shall be deemed to represent and warrant to ISR that (i) it is not bound by any contractual or statutory obligations which would preclude the Bidder from providing the data and information contained in the bid or any portion thereof, (ii) it has the right to make all disclosures that are made in the Bid; (iii) the data and information contained in the bid do not include any confidential information, trade secret or other proprietary information of the bidder and/or to any third party (except as and to the extent that the bidder may otherwise clearly indicate in writing) that ISR is prevented from using it.

19.3. All rights and titles in and to any and all drawings, sketches, and other technical documents and information provided by ISR or on its behalf to the Bidder as well as to all of the Tender Documents and the contents thereof, shall be deemed to be the sole and exclusive proprietary of ISR, and/or their use by third parties allowed by ISR.

20. **General Prerogatives of ISR**

20.1. A proposal reflecting any reservation regarding the attached documents or any part thereof, including the Agreement or the appendices attached thereto, whether by rejection, insertion or amendment to any part of the attached documents, may be disqualified.

20.2. ISR shall not be bound to accept the lowest-priced proposal or any other proposal whatsoever. In addition, ISR does not commit itself in any way to acquire the TRL or to enter into a contractual relationship with any of the Bidders.

- 20.3. Any of the TRL acquired, shall be on a non-exclusive basis and ISR at its sole discretion may at any time purchase a TRL from any of the Bidders, and/or may acquire similar or identical TRL from any third party.
- 20.4. The issuance by ISR of a Purchase Orders under the Agreement shall be following the receipt of the necessary budgetary approvals.
- 20.5. ISR, at its sole discretion, may decide not to select any of the submitted proposals or may decide to cancel the entire Tender at any time.
- 20.6. ISR reserves the right to reject the proposal of a Bidder which does not have the financial strength required for the performance of the Agreement or whose commercial Proposal is significantly lower than ISR's estimation.
- 20.7. In addition to any other event which entitles ISR by law, to cancel the Tender, ISR reserves the right, at ISR's sole discretion, to cancel this Tender in the following events:
- 20.7.1. If only one of the bids is found suitable, according to the Pre-requisites and/or other specification requirements according to this Tender Documents;
- 20.7.2. If ISR concludes that there was a flaw in the Tender process and/or in the evaluation of the bids;
- 20.7.3. If ISR has found that a critical mistake has been made in the Technical Specifications, inter alia, by giving false data, missing data or incomplete data;
- 20.7.4. If the circumstances and/or ISR's requirements have been significantly changed, to such extent which requires the cancellation of the Tender;

21. Tender Procedure – General

21.1. Download of the Tender Documents

Tender Documents are available for review and download at no charge at ISR's website at the following address:

<http://www.rail.co.il/HE/ISRTenders/Pages/TenderList.aspx>

(the interface at ISR's website with respect to the Tender Documents is currently in Hebrew only).

21.2. Amendment of Tender Documents

At any time prior to the Final Submission Date, ISR may amend the Tender Documents by issuing notices to the Bidders. Any notice thus issued, shall be deemed as an integral part of the Tender Documents, and shall be communicated in writing. Each bidder shall promptly acknowledge receipt of each notice to ISR (however, each notice shall be binding upon each Bidder, regardless whether the bidder has acknowledged receipt of such notice(s) or not).

21.3. Notification of the Winning Bidder

ISR shall send notification of its decision to the Bidder selected as the winner in the Tender. Notification shall also be sent to the other Bidders. For the removal of doubt, the aforementioned notification of the winning bid shall not constitute the formation of a contract between ISR and such Bidder, and the entering into a binding agreement is conditioned upon the fulfillment of all required terms and conditions as detailed in the Tender Documents and the Agreement.

21.4. Request for clarifications and/or additional information

- 21.4.1. Any Bidder may submit to ISR, in writing, inquiries and/or requests for clarification and/or additional information regarding the Tender or relating to the Tender Documents, as specified herein below (a “**Request for Clarification**”).
- 21.4.2. A Request for Clarification shall be titled “Request for Clarification” and shall clearly specify to which Tender Documents (volume, attachment, section) it refers.
- 21.4.3. Bidders shall submit Requests for Clarification with respect to any errors, ambiguities, inconsistencies, omissions, erroneous, unclear or imperfect provisions (“**Errors**”) in the Tender Documents. It is clarified that by submitting its Bid, Bidder irrevocably and unconditionally waives any claim, demand or legal or administrative proceeding alleging or claiming that the selection process in the Tender has been influenced or biased by an Error and/or that Bidder has suffered any damages as a result of such Error.
- 21.4.4. Any Request for Clarifications should be addressed **in writing only** to Ms. Nathalia Eisenfeld, International Procurement Coordinator, no later than **January 12, 2017**, by facsimile at +972-3-693-7416 or by e-mail: nathaliae@rail.co.il. Bidders shall be responsible for verifying receipt by ISR of Requests for Clarification.

22. Notices to Bidders

- 22.1. Should ISR decide, at its sole discretion, to respond to any Requests for Clarifications, such response shall be published in ISR's website (in the tenders section under the Tender's name) and, as of the date of such publication, shall constitute an integral part of the Tender Documents (each a “**Notice to Bidders**”).
- 22.2. Bidders shall be solely responsible to check ISR's website on a regular basis in order to follow publications by ISR. Any Notice to Bidders published at ISR's website in accordance with Section 22.1 shall be binding upon each Bidder, whether or not Bidder is aware of such Notice to Bidders, and Bidders shall not have any claim in connection therewith.
- 22.3. It is hereby clarified that only information provided by ISR to the Bidders by the way of a Notice to Bidders in accordance with Section 22.1 shall be binding upon ISR (unless expressly specified otherwise therein), and ISR shall not be bound by any oral or written response or information communicated to Bidders in any other way, including any response or information conveyed during any meeting held with the Bidders (if held).

23. **Meetings, Conferences or Discussions**

ISR, at its sole discretion, may arrange clarification meetings, site visits, conferences or discussions, and instruct Bidders that participation is compulsory on all Bidders wishing to submit a Bid.

Appendix A
Tender No. 41614
Technical Specifications

Appendix B
Tender No. 41614

Bidder's Proposal Form

Date: _____

Re: Proposal For Electric and Solar Trackage Rails Lubricators
for Various Types of Rails ("Tender")

Bidder declares that it has read, fully understands, and agrees to the terms and conditions included in the tender documents of Tender No. 41614, including the General Terms and Conditions, the Technical Specifications and any Appendices thereof (collectively the "**Tender Documents**"), and hereby submits to ISR (as that and all other capitalized terms not otherwise defined in this Appendix are defined in the Tender Documents) its proposal for the supply of the TRL. All of the terms and conditions included in the Tender Documents shall be considered integral parts of this proposal.

1. Any price stipulated herein shall be quoted in Euro (€) currency. Bidder hereby acknowledges and declares that all of the sums stated herein (**Appendix B**) shall constitute the final price that will be paid to the Bidder for the manufacture, supply and installation of the TRL, including all of the related services, Warranty, and spare parts obligations, equipment, cost, fees duties and taxes as specified in the Agreement.
2. The Prices shall also include all taxes, fees, duties, licenses, costs or other payments that are to be paid in connection with the exportation, supply and delivery of the TRL, including but not limited to all types of importation and custom duties and services, such as transportation costs, customs agents' fees, purchase tax (in Hebrew "Mas Kniya" or "מס קניה"), wharfage fees (in Hebrew "Dmei Ratzif" or "דמי רציף"), Israeli customs duties, port handling fees (in Hebrew "Dmei Nitul" or "דמי ניטול"), port infrastructure fees (in Hebrew "Dmei Tashtit" or "דמי תשתית"), cleaning of the containers, stuffing and unloading of the containers, cam locks for discharging the TRL at port, supervision while discharging at port, discharging terms at port, etc. Notwithstanding the above, Israeli Value Added Tax, if applicable, shall be borne by ISR. For the sake of clarity, the Prices shall include any sum which the Israeli Tax Authorities require to be withheld at source.

3. The Proposed Price for the TRL and its installation, including 2 years of Warranty, is as follows:

| Item | Price per Unit (in Euros) (the "TLR Price") | Quantity (for evaluation purposes only) | Total Price (Quantity multiplied by Price per Unit) |
|---|---|---|---|
| ETL | | 3 | |
| STL | | 27 | |
| Total Initial Purchase Price ("TIP") | | | _____ |
| | | | Euro (€_____) |

All prices set forth pursuant to this Section 3 shall be fixed and shall not be linked to any price increase mechanism.

4. The Proposed Price for the Optional TRL and its installation, including 2 years of warranty, including 2 years of Warranty, is as follows:

| Item | Price per Unit (in Euros) (the "TLR Price") | Quantity (for <u>evaluation purposes only</u>) | Total Price (Quantity multiplied by Price per Unit) |
|--|---|---|---|
| ETL | | 5 | |
| STL | | 15 | |
| Total Optional Purchase Price ("TOP") | | | _____ |
| | | | Euro (€_____) |

5. The Bidder's total evaluated price ("TEP") shall be calculated in accordance with the following formula-

| |
|---|
| $\text{TEP} = \text{TIP} + (0.8 \times \text{TOP})$ |
|---|

6. Linkage Mechanism

- 6.1. The Proposed Price for the Optional TRL as defined in the Tender Documents and the prices of the Spare Parts shall be fixed and shall not be linked to any price increase mechanism for a period of two year commencing on the Final Submission Date.
 - 6.2. As from two year from the Final Submission Date the Proposed Price for the Optional TRL, the Spare Parts shall be linked to the European Consumer Price Index (HICP E25 - Overall index, Monthly Index, (2005=100) as published at Eurostat website <http://epp.eurostat.ec.europa.eu/portal/page/portal/hicp/data/database>) ("**HICP**").
 - 6.3. The basic index for the HICP shall be the last known index on the Final Submission Date.
 - 6.4. The price adjustments set forth herein shall be performed once a year only from the second anniversary of the Final Submission Date.
7. Bidder understands that payment by ISR to the Supplier for the TRL shall be made by way of bank transfer in the manner and terms set forth in the Agreement.
 8. Bidder hereby permits representatives of ISR to inspect its facilities, at any time.

Signature of Bidder

By: (print or type name):

Title:

Appendix C
Tender No. 41614
Agreement-Attached Separately

Appendix D
Tender No. 41614

Date: _____

Experience and Reference List of the Bidder

1. Bidder hereby confirms that it is the manufacturer and supplier of the proposed TRL in Tender 41614.
2. Bidder further confirms that in accordance with Section 1.2 of the Tender's General Terms and Conditions, the Bidder has manufactured and supplied, commencing from the beginning of the year 2011 and onwards, at least forty (40) electric and solar trackside rails lubricators in total.

| Name of company for which the TRL was manufactured and supplied | Date the TRL was manufactured and supplied | Quantity of TRL that was manufactured and supplied | Name of Contact Person | Tel. and Fax No. of Contact Person |
|---|--|--|------------------------|------------------------------------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |

Signature of Bidder: _____

By: _____

Title: _____

(* Additional pages may be added

The Experience and Reference List shall be in English or Hebrew and shall quote the requested details.

