



Israel Railways Ltd.

Procurement & Contracting Division

Tender No. 41739 For the Manufacture and Supply of Railway Cranes ("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 proposals for:

The manufacture and supply of Railway Crane 25 ton and/or 150 ton (the "Cranes") all in accordance with and subject to the terms specified in these General Terms and Conditions and the accompanying Tender Documents.

1. General

Each Bidder may submit a bid (the "**Bid**") for the manufacture and supply of at least one of the following Crane:

- 1.1. Railway crane 25 ton which is self propelled in working mode and towed in train formation (hereinafter: "**25 tons Cranes**");

And/or

- 1.2. Railway crane 150 ton which is self propelled in working mode and towed in train formation (hereinafter: "**150 tons Cranes**").

A Bidder shall be entitled to submit a Bid for 25 tons Cranes and/or a bid for 150 tons Cranes and/or a Combined Offer for both (hereinafter: "**Combined Offer**").

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

2.1. Prerequisite for the submission of a Combined Offer:

- 2.1.1. Bidder must be the manufacturer and supplier of the proposed Cranes; and
- 2.1.2. From 2014 and up to the Final Submission Date, Bidder has manufactured and supplied at least three (3) 25 tons Cranes.
- 2.1.3. From 2014 and up to the Final Submission Date, Bidder has manufactured and supplied at least two (2) 150 tons Cranes.

2.2. Prerequisites for submission of a Bid for 25 tons Cranes only:

- 2.2.1. Bidder must be the manufacturer and supplier of the proposed 25 tons Cranes; and
 - 2.2.2. From 2014 and up to the Final Submission Date, Bidder has manufactured and supplied at least three (3) 25 tons Cranes.
 - 2.3. **Prerequisites for submission of a Bid for 150 tons Cranes only:**
 - 2.3.1. Bidder must be the manufacturer and supplier of the proposed 150 tons Cranes; and
 - 2.3.2. From 2014 and up to the Final Submission Date, Bidder has manufactured and supplied at least two (2) 150 tons Cranes.
 - 2.4. **Prerequisite for Israeli Bidders of all Bids:**

In the event of an Israeli Bidder, the Bidder should submit appropriate proof that it holds any and all necessary valid approvals and/or registrations in accordance with the Public Entity Transaction (Enforcement of accounting management and payment of taxation debts) Law, 5736-1976. (In Hebrew: חוק עסקאות גופים ציבוריים - 1976).
3. **Proof of Compliance with the Pre-requisites**

The Bidder is required to submit with its Bid all documents and certificates necessary to prove its full compliance with the Prerequisites set forth in Section 2.

 - 3.1. **Proof of Compliance with the Pre-requisites for the submission of a Combined Offer**
 - 3.1.1. Bidder shall prove full compliance with the Prerequisite specified in Section 2.1.1 above by submitting a signed statement certifying that it is the manufacturer and supplier of the proposed Cranes.
 - 3.1.2. Bidder shall prove full compliance with the Prerequisite set forth in Section 2.1.2 and 2.1.3 by submitting a signed and completed Experience and Reference List, in the form attached hereto as **Appendix D1** and **D2**, evidencing that from 2014 and up to the Final Submission Date, Bidder has supplied at least two (2) 150 tons Cranes and three (3) 25 tons Cranes.
 - 3.2. **Proof of Compliance with the Pre-requisites for the submission of a Bid for 25 tons Cranes only:**
 - 3.2.1. Bidder shall prove full compliance with the Prerequisite specified in Section 2.2.1 above by submitting a signed statement certifying that it is the manufacturer and supplier of the proposed 25 tons Cranes.
 - 3.2.2. Bidder shall prove full compliance with the Prerequisite set forth in Section 2.2.2 by submitting a signed and completed Experience and Reference List, in the form attached hereto as **Appendix D1**, evidencing that from 2014 and up to the Final Submission Date, Bidder has supplied at least three (3) 25 ton Cranes.
 - 3.3. **Proof of Compliance with the Pre-requisites for the submission of a Bid for 150 tons Crane only:**

- 3.3.1. Bidder shall prove full compliance with the Prerequisite specified in Section 2.3.1 above by submitting a signed statement certifying that it is the manufacturer and supplier of the proposed 150 tons Cranes.
- 3.3.2. Bidder shall prove full compliance with the Prerequisite set forth in Section 2.3.2 by submitting a signed and completed Experience and Reference List, in the form attached hereto as Appendix D2, evidencing that from 2014 and up to the Final Submission Date, Bidder has supplied at least six (6) 150 tons Cranes.
- 3.4. Notwithstanding the aforesaid in Sections 3.1, 3.2 and 3.3, ISR shall have the right, in its sole discretion, not to disqualify proposals which do not contain all the documents and certificates necessary to prove its compliance with the Pre-requisites. ISR shall have the right, in its sole discretion, to request from any of the bidders, details and/or approvals and/or recommendations and/or certificates and/or additional documents, necessary to enable ISR to reach the required decisions.
- 3.5. The bidder undertakes to maintain its compliance with the Pre-requisite specified in Section 2 above, at all times, up to and including the Proposal Validity Period as set forth in Section.
- 3.6. In order to remove any doubt, this request for proposal by ISR shall not be construed as compliance with any of the Pre-requisites specified above.

4. Technical Requirements

The 25 tons Cranes shall fully comply with all of the requirements and terms included in the Technical Specifications attached hereto as Appendix A1. The 150 tons Cranes shall fully comply with all of the requirements and terms included in the Technical Specifications attached hereto as Appendix A2. The Combined Offer shall fully comply with all of the requirements and terms included in the Technical Specifications attached hereto as Appendix A1 and Appendix A2 (Appendix A1 and Appendix A2 shall together be known as the "Technical Specifications").

5. Governing Agreement

The supply of the Cranes, 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 supplier, shall be governed by the terms and conditions of the frame agreement attached hereto as Appendix C (the "Agreement"). The Agreement and the appendices attached thereto constitute an inseparable part of this Tender.

6. Bid Guarantee

- 6.1. In order to secure the due, timely and complete performance of each Bidder's obligations under its proposal, including the validity of its proposal, the Bidder shall submit an irrevocable first class Bank Guarantee to the order of ISR (the "Bid Guarantee").

- 6.2. ISR shall require Bidders which meet the requirements specified in Section **שגיאה! מקור ההפניה לא נמצא.** herein above to submit ISR a bid guarantee within 30 days following the receipt of such written request from ISR (the "**Bid Guarantee Request**").
- 6.3. The bid guarantee must be an unconditional irrevocable first class bank guarantee to the order of Israel Railways Ltd., in the amount of **two hundred thousand Euro (200,000 €)**, in Euro currency only, valid at least up to and including **September 30, 2017**.
- 6.4. It is hereby clarified that in any event that a Bidder is requested to submit a Bid Guarantee, and fails to submit such Bid Guarantee as specified in Sections 0 and 6.3 above, the Bidder shall not be entitled to further participate in the Tender Process.
- 6.5. In any event that a Bidder is requested to extend the Proposal Validity Period (as defined in Section **שגיאה! מקור ההפניה לא נמצא.** herein), the Bidder may be required to extend the term of the Bid Guarantee for the same duration of the extension of the Proposal Validity Period. ISR shall have the right, at its sole discretion, to disqualify a proposal submitted by a Bidder who fails to extend the term of the Bid Guarantee as required herein.
- 6.6. ISR shall be entitled, at its sole and absolute discretion, to exercise the Bid Guarantee or any part thereof, after the Bidder was given the opportunity to present its arguments, in case, *inter alia*, one of the following occurs: (1) during the Tender procedure, the Bidder acted in a misleading manner or with lack of good faith; (2) the Bidder provided misleading information or omitted material information; (3) the Bidder retracted its proposal in the Tender after the Final Submission Date; (4) after being selected as the Winning Bidder in the Tender, the Bidder did not follow the instructions of the Tender, which are a condition for ISR's engagement of the Winning Bidder. The Bid Guarantee shall also serve as agreed compensation without proof of damage as defined in Section 15 of the Contracts (Remedies for Breach of Contract) Law, 1970.
- 6.7. Commencing from the Effective Date as defined in the Agreement, the Bid Guarantee furnished by the Winning Bidder for the purposes of the Tender shall secure the performance of all of the Winning Bidder's obligations under the Agreement, until replacement thereof by the Performance and Warranty Guarantee, as defined in the Agreement. Upon the receipt of the notification of being selected as the Winning Bidder, the Winning Bidder shall extend the validity of the Bid Guarantee submitted by it to ensure the continuing effect of the Bid Guarantee, until replacement thereof by the Performance and Warranty Guarantee, as defined in the Agreement.

7. **Delivery Terms**

The terms of supply and delivery of the Cranes shall be "**DAP**" " Delivery at Place" (as that term is defined in **Incoterms 2010, International Rules for the Interpretation of Trade, ICC Publication No. 715**) at ISR's site, as determined solely by ISR in the time of the Purchase Order (the "**Site**"), in accordance with the terms and the conditions specified in the Agreement.

8. Time of Delivery

The time of delivery for the supply of the Cranes shall be in accordance with the terms and the conditions specified in the Agreement as follows:

- 8.1. For the 3 (three) 25 Ton Cranes - eighteen (18) months following the issuance of the Purchase Order.
- 8.2. For the 1 (one) 150 Crane –sixteen (16) months following the issuance of the Purchase Order.
(“**Time of Delivery**”).

9. Purchase Order

- 9.1. ISR intends to issue a Purchase Order for one (1) 25 tons Cranes and three (3) 150 tons Cranes (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.
- 9.2. Additionally, during the Agreement Period, ISR, in its sole discretion, shall have the option (but shall not be obligated) to purchase from the Supplier additional Cranes ("**Optional Cranes**"). The relevant terms and conditions detailed in this Tender, including its Appendices, shall apply, *mutatis mutandis*, to the Optional Cranes.

10. Spare Parts

- 10.1. Without derogating from its warranty obligations as detailed herein and in the Agreement, the Bidder shall undertake in its proposal that in the event of being elected as the winning bidder, the Cranes ordered by ISR will be delivered with spare parts sufficient for two (2) year of operation, at no extra cost. In addition, the winning bidder will undertake that during the Agreement Period and thereafter until twenty (20) years from the end of the Warranty Period (as set forth in the Agreement), it will supply ISR with all spare parts and tools necessary to maintain and repair the Cranes (the "**Spare Parts**"). Following such ten (10) years period, if a spare part is no longer available on the market the Supplier will offer ISR an adequate substitute at a comparable price.
- 10.2. 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 and Prices**"). The Spare Parts List and Prices 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 for each Spare Part, which shall remain fixed for a period of two (2) years from the Final Submission Date.
- 10.3. As from the 2nd anniversary of the Final Submission Date, the Spare Parts List and Prices shall be adjusted once a year as linked to the European Consumer Price Index (HICP E27 - Overall index, Monthly Index, (2005=100) as published at Eurostat website:

<http://epp.eurostat.ec.europa.eu/portal/page/portal/hicp/data/database>
("HICP").

10.4. The basic index for the HICP shall be the last known index on the Final Submission Date.

11. **Warranty**

11.1. The Supplier shall provide a Warranty and perform Warranty Services with regard to the Cranes as such terms are defined in the Agreement, and in accordance with the provisions set forth therein.

11.2. The Cranes shall be fully warranted by the Supplier for a period of two (2) years commencing on the day that a Final Acceptance Certificate (as defined in the Agreement) was issued in respect to the Cranes (the "**Warranty Period**").

11.3. The cost of the Warranty and the provision of the Warranty Services, 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 Cranes.

12. **Price Proposal**

12.1. The Bidder shall provide the proposed price proposal for the manufacture and supply of one or more of the following Cranes (the "**Proposed Price**"), in the Bidder's Proposal Form attached hereto as **Appendix B** in accordance with the following instructions:

12.1.1. Group A: One (1) 25 tons Cranes - Section 7.1 in the Bidder's Proposal Form ("**Group A**").

12.1.2. Group A1: Optional 25 tons Cranes - Section 7.2 in the Bidder's Proposal Form ("**Group A1**")

12.1.3. Group B: Three (3) 150 tons Cranes- Section 9.1 in the Bidder's Proposal Form ("**Group B**").

12.1.4. Group B1: Optional 150 tons Cranes- Section 9.2 in the Bidder's Proposal Form ("**Group B1**").

12.2. It is hereby clarified that Bidders that submit an offer for Group A must also submit an offer for Group A1 and Bidders that submit an offer for Group B must also submit an offer for Group B1. Submitting a partial offer, in any of the groups (A+A1 and/or B+B1) may disqualify the offer.

12.3. The Proposed Price for each of the Cranes and/or for both, shall include a proposed price for the Cranes, shall be denominated in Euro (€) currency, and shall be inclusive of all taxes, fees, duties, licenses, costs or other payments that are to be paid in connection with the manufacture, exportation, supply, delivery and installation of the Cranes, 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 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 Cranes at port, supervision while discharging at port, discharging terms at port, etc. For the sake of clarity, the Proposed Price for the Cranes shall include any sum which the Israeli Tax Authorities require to be withheld at source. Notwithstanding the above, Israeli Value Added Tax, if applicable, shall be borne by ISR.

12.4. The Proposed Price for the Cranes shall be the final, complete and inclusive price that will be paid to Supplier for the supply and delivery of the Cranes, including all of the related services, warranty, equipment, cost, fees duties and taxes as specified in the Agreement. Supplier shall not be entitled to any other payment, fee or compensation whatsoever from ISR.

12.5. In the event that the Bidder submits a price proposal for more than one group of Cranes, the bidder shall quote, in Appendix B, a discount (in percentages) which shall be applicable for all the Cranes and shall be calculated as specified in the Bidder's Proposal Form (**Appendix B**).

13. **Terms of Payment**

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

14. **Evaluation process and selection of Winning Proposal**

14.1. The evaluation of the proposals submitted by bidders shall be conducted by ISR in accordance with the following process:

14.1.1. **Stage A – Preliminary Evaluation –**

14.1.1.1. **Stage A1 – Prerequisites:** Bidders will be evaluated in accordance with Section 2 above.

14.1.1.2. **Stage A2 - Bid Guarantee:** Bidders who satisfy Stage A1 above shall be required to submit a Bid Guarantee, as specified in section 6 above.

14.1.1.3. **Stage A3 - Technical Evaluation –** Technical Proposals shall be evaluated in accordance with the Technical Specifications.

14.2. **Stage B – Commercial Evaluation –** ISR shall open commercial proposals of Bidders who satisfy Stage A above:

14.2.1. **Stage B1 –** The Total Evaluated Price Proposal for the Cranes and the Optional Cranes set forth in Appendix B shall be calculated in accordance with the relevant formula specified in Section 7 and/or 9 of Appendix B as applicable.

14.2.2. **Stage B2 –** In the event a Bidder submits a Price Proposal for only one group of Cranes - the prices set forth in Appendix B shall not be subjected to any price discount. In the event a Bidder submits a proposal for more than one type of Cranes - All the prices submitted for each group of Cranes shall be subjected to the price discount set forth in Section 7 or 9 of Appendix B.

14.2.3. **Stage B3** - The prices of each group of Cranes that have been calculated according to Stage A and B above shall be compared. In the event a Bidder's proposal is the lowest for more than one type of Cranes, such bidder shall be selected as the winning Bidder for the Cranes for which its proposal/s was the lowest.

14.2.4. **Stage B4** - In the event a Bidder's proposal is not the lowest for more than one type of Cranes, the proposals shall be compared, all of which shall not be subjected to the discount. The lowest proposal, with the lowest TEP for each type of Cranes shall be selected as the winning Bidder for such Vehicle. It is hereby clarified that each Type of Vehicle shall be compared separately.

14.3. In the event of an Israeli Bidder, the Bidder must hold any and all necessary valid approvals and/or registrations in accordance with the Public Entity Transaction (Enforcement of accounting management and payment of taxation debts) Law, 5736-1976. (In Hebrew: 1976 - עסקאות גופים ציבוריים - חוק).

14.4. 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.

15. **Tender Procedure – General**

15.1. **Download of the Tender Documents**

15.1.1. 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).

16. **Submission of Proposals**

16.1. All proposals must be submitted no later than **March 30, 2017 by 13:00 (Israel time)** ("**Final Submission Date**") in three separate envelopes, and these three envelopes shall all be inserted into one main envelope as specified below, which shall read Tender No. 41611 (hereinafter: the "**Main Envelope**") at the address set forth below.

16.2. The proposal shall be submitted by a single bidder. A bidder which submits more than one proposal shall be disqualified.

16.3. The proposal is to be submitted **in 3 copies** into **Tender Box No. 8**, located at the following address:

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

- 16.4. The Bidder is requested to read carefully all of the documents attached herein and submit the following documents in three separate envelopes as set out below, which should be included in the Main Envelope, signed, where applicable, by the authorized signatory bodies.
- 16.5. A separate envelope which shall read “**Prerequisites –Tender No. 41739**” shall be inserted in the Main Envelope and shall include the following:
- 16.5.1. A signed copy 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 winning Bidder is required to complete part B of the Bank Account Form).
- 16.5.2. A bank guarantee as specified in the Prerequisite set forth in Section **שגיאה! מקור ההפניה לא נמצא.** above.
- 16.5.3. A declaration certifying that the Bidder is the manufacturer and the supplier of the proposed Cranes.
- 16.5.3.1. **Applicable to Bidder's 25 tons Cranes**
A signed and completed Experience and Reference List in the form attached hereto as **Appendix D1**.
- 16.5.3.2. **Applicable to Bidder's of a 150 tons Cranes**
A signed and completed Experience and Reference List in the form attached hereto as **Appendix D2**.
- 16.5.4. In addition Bidder shall submit additional proof such as supply reports and documentation.
- 16.5.5. **It is hereby clarified that Bidders for each type of Crane are required to fill each of the forms set forth in Section 16.5 as if each form was submitted in a separate tender.**
- 16.6. A separate envelope which shall read “**Commercial Proposal –Tender No. 41739**” shall be inserted in the Main Envelope and shall include the following:
- 16.6.1. A signed and completed Bidder's Proposal Form (***Appendix B***).
- 16.6.2. A signed and completed Spare Parts List and Prices (***Appendix E***).
- 16.7. A separate envelope which shall read “**Technical Proposal - Tender No. 41739**” shall be inserted in the Main Envelope and shall include the following technical information:
- 16.7.1. A signed copy of the Technical Specifications (***Appendix A1*** and/or ***Appendix A2***).
- 16.7.2. Company profile of the Bidder and its expertise; relevant information and data regarding the Cranes.

16.7.3. Two (2) sets of operation, maintenance and training instructions in English or in Hebrew (in PDF format) including, *inter alia*, the following:

- 16.7.3.1. Installation procedure, including equipment setup;
- 16.7.3.2. Operation manual;
- 16.7.3.3. Maintenance and troubleshooting;
- 16.7.3.4. Calibration instructions;
- 16.7.3.5. Drawings and schematics, including those for mounting the Cranes;
- 16.7.3.6. Special tools and/or equipment;

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

16.9. All submitted proposals must be valid until six (6) 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 for any reason whatsoever does not enter into a contractual relationship with the winning Bidder, and/or the agreement with the winning Bidder is cancelled, ISR shall be entitled to elect, as a winning proposal, the proposal which offered the next lowest price for the Cranes. The terms set forth in this Section shall apply, *mutatis mutandis*, following the replacement of the Bidder's proposal as aforesaid.

17. Appendices

The following appendices are attached hereto:

Appendix A1-A2 - Technical Specifications.

Appendix B - Bidder's Proposal Form.

Appendix C - A copy of the Agreement.

Appendix D1- D2 - An Experience and Reference List.

Appendix E – Spare Parts List and Prices

18. Confidentiality and Proprietary Rights

18.1. By participating in the Tender process, each purchaser of the Tender Documents and each Bidder are deemed to have agreed to keep in strict confidence, and not to disclose and/or 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 proposal. It is hereby clarified that this section shall not apply to documents and/or information published by ISR on its website.

18.2. By submitting a proposal, 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 proposal or any portion thereof, (ii) it has the right to make all disclosures that are made in the proposal; (iii) the data and information contained in the proposal 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.

- 18.3. 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 ISR allowed by third parties.

19. **General**

- 19.1. 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.
- 19.2. 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 Cranes or to enter into a contractual relationship with any of the Bidders.
- 19.3. 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 Cranes 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 D1* and *D2* in order to check and evaluate the Prerequisites, the Technical Proposal, and/or Bidder's Proposal.
- 19.4. The Cranes acquired shall be on a non-exclusive basis and ISR, at its sole discretion may, at any time, obtain Cranes from any of the Bidders, and/or may acquire similar or identical Cranes from any third party.
- 19.5. ISR shall issue Purchase Orders under the Agreement following the receipt and subject to the receipt of the necessary budgetary approvals.
- 19.6. ISR, in its sole discretion, may decide not to select any of the submitted proposals or may decide to cancel the entire Tender at any time.
- 19.7. ISR reserves the right to reject a proposal of a Bidder which does not have the financial strength required for the performance of the Agreement or that its commercial proposal is significantly lower than ISR's estimation.
- 19.8. 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:

- 19.8.1. If only one of the proposals is found suitable, according to the Prerequisites and/or other specification requirements according to these Tender Documents;
- 19.8.2. If ISR concludes that there was a flaw in the Tender process and/or in the evaluation of the proposals;
- 19.8.3. 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;
- 19.8.4. If the circumstances and/or ISR's requirements have been significantly changed, to such extent which requires the cancellation of the Tender;
- 19.9. 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 proposals, or not to conduct negotiations at all.
- 19.10. All documents submitted in this Tender must be in English or Hebrew (including but not limited to all attachments, schedules, annexes, sketches, drawings, diagrams, tables and charts) and any additional information, questions, requests for clarification and interpretation, or any other communication, must be submitted in writing in English or Hebrew only, unless otherwise specifically stated in the Tender Documents or approved by ISR.
- 19.11. Each Bidder shall solely bear all costs associated with the preparation and submission of its proposal. This shall include, without limitation, any and all expenses and losses, which may be incurred by the 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 aspect in connection with the proposal. 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.

20. Request for clarifications and/or additional information

- 20.1. 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.
- 20.2. Any inquiries with regards to this Tender should be addressed, in writing only and no later than **February 23, 2017**, to Chen Gevirtz International Procurement Coordinator, by facsimile at +972-3-693-7416 or by e-mail: cheng@rail.co.il. Bidders shall be responsible for verifying receipt by ISR of Requests for Clarification.
- 20.3. 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").

- 20.4. 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 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.
- 20.5. It is hereby clarified that only information provided by ISR to the bidders by the way of a Notice to Bidders in accordance herewith 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.

21. **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).

22. **Notification of the Winning Bidder**

ISR shall send notification of its decision to the Bidder selected as the winner in the Tender. Notifications shall also be sent to the other Bidders. For the removal of doubt, the aforementioned notification of the winning proposal 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.

Appendix A1
TENDER No. 41739

Technical Specifications for 25 tons Crane

Appendix A2
TENDER No. 41739

Technical Specifications for 150 tons Crane

Appendix B
TENDER No. 41739

BIDDER'S PROPOSAL FORM

Appendix B

Bidder's Proposal Form Tender No. 41739

For the supply of 25 tons Cranes and 150 tons Cranes

Date: _____

Israel Railways Ltd.
Procurement & Contracting Division
Tel Aviv Central Train Station (Savidor)
Tel Aviv, Israel

Name of Bidder: _____

Address: _____

Telephone: _____

Facsimile: _____

Re: Proposal for the Supply of 25 tons Crane and 150 tons Cranes

1. Bidder declares that it has read, fully understands, and agrees to the terms and conditions included in the Tender Documents of Tender No. 41739, 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 terms not otherwise defined in this Appendix are defined in the Tender Documents) its proposal for the supply of 25 tons Crane and 150 tons Cranes for use in ISR sites ("**Cranes**").
2. All of the terms and conditions included in the Tender Documents shall be considered integral parts of this proposal.
3. All prices mentioned herein, including the Proposed Price for the Cranes, shall be denominated in Euros (€).
4. Bidder hereby acknowledges and declares that sums stated herein (Appendix B) shall be the final, complete and inclusive price that will be paid to the Supplier for the supply, delivery, installation of the Cranes and the accompanying services to be provided by it as specified in the Agreement, including all warranty and spare parts

obligations. The Supplier shall not be entitled to any other payment, fee or compensation whatsoever from ISR.

5. Bidder hereby acknowledges and declares that the Proposed Price for the Cranes 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 Cranes, 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 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 Cranes at port, supervision while discharging at port, discharging terms at port, etc. For the sake of clarity, the Prices shall include any sum which the Israeli Tax Authorities require to be withheld at source. Notwithstanding the above, Israeli Value Added Tax, if applicable, shall be borne by ISR.

6. The country and manufacturing site where the Cranes will be manufactured is _____.

7. The Proposed Price for the 25 tons Crane, including two (2) years of warranty, is as follows:

7.1. Group A -

Item	Price per Unit	Quantity (for evaluation purposes only)	Total Price (Quantity multiplied by Price per Unit)
25 tons Cranes		3	
Total Evaluated Price for Initial Purchase Order ("ATDP")			

All prices set forth pursuant to this Section 7.1 shall be fixed and shall not be linked to any price increase mechanism

7.2. Group A1-

Item	Price per Unit	Quantity (for evaluation purposes only)	Total Price (Quantity multiplied by Price per Unit)
25 tons Cranes		3	
Total Evaluated Price for Optional Order ("AOTDP")			

8. The Bidder's total evaluated price ("TEP") for Group A and A1 shall be calculated in accordance with the following formula:

$$\text{TEP} = \text{ATDP} + (0.7 * \text{AOTDP}) + (0.7 * (12 * \text{OSSV}))$$

And/or

9. The Proposed Price for the 150 tons Cranes including two (2) years of warranty is as follows:

9.1. Group B-

Item	Price per Unit	Quantity (for evaluation purposes only)	Total Price (Quantity multiplied by Price per Unit)
150 tons Cranes		1	
Total Evaluated Price for Initial Purchase Order (" BTDP ")			

All prices set forth pursuant to this Section 9.1 shall be fixed and shall not be linked to any price increase mechanism.

9.2. Group B1-

Item	Price per Unit	Quantity (for evaluation purposes only)	Total Price (Quantity multiplied by Price per Unit)
150 tons Cranes		1	
Total Evaluated Price for Optional Order (" BOTDP ")			

10. The Bidder's total evaluated price ("**TEP**") for Group B and B1 shall be calculated in accordance with the following formula:

$$\mathbf{TEP = BTDP + (0.7 * BOTDP) + (0.7 * (12 * OSSV))}$$

11. The Proposed Price for Optional Service Support Visit ("**OOSV**") is as follows:

Optional Service Support Visit
A sum of _____ € (in words) _____ _____ EURO

12. In the event that the Bidder submits a price proposal for more than one group of Cranes, the bidder shall quote a discount (in percentages) which shall be applicable for all the Cranes and shall be calculated as set forth in Section __ of the Tender's General Terms.

The discount that shall be applicable for all the Cranes _____%.
(A discount of _____% (in words)).

13. Linkage Mechanism

13.1. The Optional Cranes Price as specified in section 7.2 and 9.2 above and the prices of the Spare Parts as specified in Appendix E shall be fixed and shall not be linked to any price increase mechanism for a period of two (2) years commencing on the Final Submission Date (as such term is defined in the Tender documents).

13.2. As from the 2nd anniversary of the Final Submission Date, the Optional Cranes Price and the prices of 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**").

13.3. The basic index for the HICP shall be the last known index on the Final Submission Date.

13.4. Supplier undertakes to supply the Cranes at the prices herein provided until the end of the Agreement Period (including the Option Period, if applicable).

14. Bidder understands that payment by ISR to the Supplier for the Cranes shall be made by way of bank transfer in the mode and terms set forth in the Agreement.

15. 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. 41739

THE AGREEMENT

Appendix D

TENDER No. 41739

Experience and Reference List

Appendix D1
TENDER No. 41739

Date: _____

Experience and Reference List of the Bidder

In accordance with Section 2.2.2 of the Tender General Terms and Conditions:
From 2014 and up to the Final Submission Date, Bidder has manufactured and supplied at least three (3) 25 tons Cranes.

Name of company to which the Cranes were supplied	Date the under Cranes were Supplied	Quantity of Cranes supplied	Contact person	Telephone and Facsimile no. of contact person

Signature of Bidder: _____

By: _____

Title: _____

Please copy this page in order to fill in all relevant experience

Appendix D2
TENDER No. 41739

Date: _____

Experience and Reference List of the Bidder

In accordance with Section 2.3.2 of the Tender General Terms and Conditions:
From 2014 and up to the Final Submission Date, Bidder has manufactured and supplied at least two
(2) 150 tons Cranes.

Name of company to which the Cranes were supplied	Date the under Cranes were Supplied	Quantity of Cranes supplied	Contact person	Telephone and Facsimile no. of contact person

Signature of Bidder: _____

By: _____

Title: _____

Please copy this page in order to fill in all relevant experience

