

Agreement No. _____

Made and entered on ____ day of _____
(the “**Effective Date**”)

Between

ISRAEL RAILWAYS LTD.
Company Number 52-004361-3
of
Yoseftal 1, Lod
ISRAEL

(“**ISR**”)

And

(“**Consultant**”)

(the “**Agreement**”)

WHEREAS, ISR is interested in acquiring on a non-exclusive basis, Professional consulting services, including but not limited to, Independent Safety Assessor (hereinafter "**ISA**"), assistance and support in order to guarantee ISR's qualifications and meeting the European Regulations EC/798/2016, thereby enabling ISR to receive the Israeli Ministry of Transportation 's permission to operate (hereinafter: "**PTO**") several track lines, all as set forth in this Agreement and as set out in the Task Orders to be issue by ISR to Consultant during the term of this Agreement; and

WHEREAS, Consultant was awarded the winning bid in Tender No. 41907 conducted by ISR (the "**Tender**"), which documents are attached hereto as *Annex D* of this Agreement; and

WHEREAS, the Consultant agrees to provide the Services pursuant to the terms and conditions of this Agreement, and represents that it has the necessary knowledge and experience and is capable of competently and diligently providing all of the Services under this Agreement; and

WHEREAS, the Consultant represents, warrants, confirms and undertakes that it is entitled to enter into this Agreement and to assume all the obligations pursuant hereto, and there is no contractual, legal or other impediment or conflict of interest to its entering into this Agreement and to the fulfillment of all of the Consultant's duties and obligations hereunder; and

WHEREAS, the parties desire to set forth a contractual framework to govern the relationship between the parties;

NOW THEREFORE, it is declared, covenanted and agreed between the parties as follows:

1. HEADINGS, APPENDICES AND PREAMBLE

1.1 The headings in this Agreement are for purposes or reference only and are not a material part of and shall not be used in interpreting this Agreement.

1.2 The Agreement shall consist of the following documents each of which is attached hereto and forms an integral and inseparable part hereof:

1.2.1 The general terms and conditions of the Agreement

1.2.2 The following appendices:

1.2.2.1 Annex A1 - Scope of Services

1.2.2.2 Annex A2 – Consideration

1.2.2.3 Annex B1 - Certificate of Completion of Milestone

1.2.2.4 Annex B2 - Certificate of Completion of Work Package

1.2.2.5 Annex C - Consultant's Personnel

1.2.2.6 Annex D – Tender documents.

1.3 Order of Precedence.

1.3.1 In the event of any contradiction, discrepancy, conflict, inconsistency, ambiguity and/or uncertainty between the provisions of this Agreement, the attachments hereto and/or the Tender documents, the following order of precedence will apply;

- This Agreement, including the Consideration Appendix, but excluding the other attachments hereto;
- The other Appendixes to this Agreement;
- The other Tender documents;
- Consultant's proposal to the Tender.

1.4 The preamble and appendices attached to this Agreement and accurate representations of the parties hereto constitute an inseparable part of and are conditions for the validity of this Agreement.

1.5 This agreement replaces any memorandum of understanding, representation, letters of intent, contractual relationship, arrangement or previous agreements between the parties and if and insofar as there were any, it renders them null and void.

2. DEFINITIONS

The following definitions shall apply to this Addendum:

- 2.1 "**Agreement Period**" – shall have the meaning ascribed to it in Section 3.
- 2.2 "**Applicable Law**" - means any Israeli or foreign statute, law, ordinance, rule, regulation, order, writ, injunction, judgment, decree or other requirement of any governmental entity existing as of the date hereof or at any time during the term of this Addendum applicable to ISR, Consultant and/or the Services.
- 2.3 "**Business Day**" – means any day of the week other than Saturday or Sunday, and excluding official holidays and bank holidays in Israel.
- 2.4 "**Effective Date**" – shall have the meaning ascribed to it in the Preamble to this Addendum.
- 2.5 "**Local Representative**" – shall have the meaning detailed in Section 4.4.
- 2.6 "**Milestones**" – shall have the meaning detailed in each Task Order.
- 2.7 "**Reports**" – shall have the meaning detailed in Section 5.16 .
- 2.8 "**Schedule**" – as detailed in Section 5.9.1
- 2.9 "**Services**" – all services and works carried out by Consultant during the Agreement Period as detailed in this Agreement (Annex A1) and the Task Orders to be issued to Consultant during the term of this Agreement.

2.10 "Subcontractors" – shall have the meaning detailed in Section 10.

2.11 "Work Package" – shall have the meaning detailed in Section 6.1.

3. TERM

3.1 The term of the Agreement shall be five (5) years from the **Effective Date** (the "**Agreement Period**").

3.2 In addition, ISR shall have the option to extend the Agreement Period for additional successive periods up to a maximum of five (5) years commencing as from the completion of the Agreement Period (the "**Option Period**") by providing Consultant with a written notice 60 days in advance before the end of each term.

3.3 It is hereby clarified that in the event that a Task Order issued under this Agreement, as that term is defined herein below, has not been completed within the Agreement Period or the Option Period, the terms and conditions of the Agreement shall apply, *mutatis mutandis*, until completion of the relevant Task Order.

4. AUTHORIZED REPRESENTATIVES

4.1 Any action required or permitted to be taken, and any document required or permitted to be executed, under this Agreement by ISR or by the Consultant may be taken or executed by the parties' authorized representatives.

4.2 The parties' contact persons are as follows:

For ISR:

Mr. Jonathan Gershon

Title: Head of Safety Systems Engineering & Information Department -
Safety Division

Telephone: +972-8-6533307

E-mail: jonathang@rail.co.il

(hereinafter: the "ICP")

For Consultant:

Manager of the - ISA Project

Company Name: _____

Address: – _____

Telephone: _____

E-mail: _____

(hereinafter: the "SCP")

4.3 Each party shall, in writing without undue delay, notify the other party of changes in contact persons, addresses or facsimile numbers, if any.

4.4 Local Representative –

4.4.1 Consultant shall appoint a local representative which meets the following criteria:

4.4.1.1 A company registered in Israel which at least two of its employees are engineers; or

4.4.1.2 A company registered in Israel, which at least two of its employees have at least 5 years of experience in infrastructure projects in Israel.

4.4.2 Local Representative's responsibilities shall include the following:

4.4.2.1 Closely work together in the execution of the project.

4.4.2.2 Act ISA Project Manager assistant, process facilitator and supervisor assistance in various assessment works.

4.4.2.3 Strategic cooperation with ISA throughout the assessment period for all Work Packages with valuable knowledge about local standards and systems.

4.4.2.4 Acquire documentation, occasional Hebrew documents translation, scheduling meetings and coordination of the local activities.

4.4.2.5 Perform Inspection and document assessment, reading and understanding of specific documents often written in Hebrew, interviews with local experts and planning and participating in meetings.

4.4.2.6 Perform and participate on site spot checks basis, monitoring of Integration tests and different Emergency drills if requested.

4.4.2.7 Assess ISR committee documents, risk management and readiness of the operational rule book and training.

4.4.3 ISR shall approve the Local Representative in advance and in writing. Any changes in the Local Representative's identity are subject to ISR's approval in advance and in writing.

4.4.4 The Consultant's Local Representative details are as follows:

Company Name: _____

Address: _____

Telephone: _____
E-mail: _____
(hereinafter: the "**Local Representative**")

5. **Consultant's Declarations and Representations**

- 5.1 Consultant has all necessary corporate power and authority to execute and deliver this Agreement to perform its obligations under this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by all necessary action of Consultant, and no other corporate proceedings on the part of Consultant are necessary to authorize the entering into and execution of this Agreement, or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Consultant and constitutes a valid, legal and binding obligation of Consultant, enforceable against Consultant in accordance with its terms.
- 5.2 No actual or potential conflict of interest or unfair competitive advantage exists with respect to Consultant's acting hereunder, and Consultant shall not engage in any contractual relationship that may cause such conflict of interest or unfair competitive advantage to exist.
- 5.3 There is no (i) litigation that is currently in effect or threatened, against Consultant, which would challenge the authority of Consultant to enter into this Agreement or to carry out its obligations under this Agreement, or (ii) impediment, whether legal or stemming from a prior or simultaneous commitment made by Consultant, or any other impediment of whatever nature, which might prevent Consultant from entering into this Agreement or hinder the performance of any or all of its obligations hereunder.
- 5.4 The Consultant undertakes that the Services will be performed faithfully, efficiently, expertly, with due diligence, to ISR's full satisfaction, at high professional standard, in accordance with the accepted professional techniques and practices, and in accordance with ISR's instructions.
- 5.5 Consultant represents and warrants that it is fully capable of performing the Services in accordance with recognized professional standards, and that it has the know-how, expertise, experience, adequate financial resources and all that is required in connection with such tasks.
- 5.6 All work prepared and submitted by the Consultant shall be the sole and original work of the Consultant, its employees and Subcontractors.
- 5.7 Consultant Examination and Evaluation.

Consultant hereby represents and warrants to ISR that:

- 5.7.1 Consultant has evaluated (independent of, and without relying on, any information or data provided by ISR) any and all other factors that may be deemed to affect the carrying out of its obligations under this Agreement;
- 5.7.2 Consultant has examined and is fully satisfied with all of the information provided to it by ISR;
- 5.7.3 Consultant shall not be entitled to any payment or compensation other than as set forth herein and shall not make any claim for additional payment from ISR on any grounds whatsoever, including, without limitation, on the grounds of any misunderstanding or misapprehension in respect of any matter which an expert Consultant knew or should have known or on the grounds of any allegation or fact that incorrect information was given to Consultant by any person (subcontractors included), firm or any legal entity which it knew or should have known to be incorrect as an expert Consultant of Services, whether the person, firm or legal entity was employed by ISR or not, or on the grounds of the failure on its part to obtain correct information with regard to the Services;
- 5.7.4 Consultant is aware that some of the information provided to Consultant by ISR shall be provided in Hebrew and/or English and Consultant shall be responsible, at its own cost and expense to translate such information to the language required by Consultant to provide the Services so that Consultant shall fully understand such information at no additional cost to ISR. Consultant hereby waives any demand and/or claim against ISR that some and/or all of the information shall be in Hebrew and/or English.

5.8 Consultant shall comply with all Applicable Law;

5.9 Schedule

- 5.9.1 Consultant acknowledges that time is of the essence for the performance of Services and hereby commits to perform the Services in the schedule detailed in each Tasks Order ("Schedule").
 - 5.9.2 Consultant warrants that it acknowledges the Schedule required for completing the Services under this Agreement and will perform the Services in accordance with said Schedule.
 - 5.9.3 Consultant is obliged to constantly monitor the Schedule and must maintain a schedule deadline. Consultant is obliged to ensure conscientiously that these dates are met. This schedule deadline must be passed on to ISR without delay, and on request. With no need for any specific request, Consultant will provide to ISR a quarterly status report on the progress of the Services.
 - 5.9.4 Consultant shall inform ISR immediately if it is in default by more than five (5) Business Days in relation to any aspect of the Schedule, indicating the measures it intends to take to make up for this delay. The costs of such measures shall be borne by Consultant.
- 5.10 The Consultant will fully cooperate with ISR in the implementation of this Agreement and shall, without derogating from the generality of the above, fully cooperate with and provide all necessary assistance to ISR.

- 5.11 The Consultant will fully cooperate with ISR's other consultants and/or subcontractors involved in works related to the Services.
- 5.12 Discrepancies and Omissions
- 5.12.1 No inaccuracies, errors, misstatements, omissions, discrepancies, defective or incomplete descriptions, contradictions or ambiguities in or between any of the provisions of this Agreement, or any information or instructions communicated or given by ISR to Consultant from time to time, shall constitute grounds for stoppage of the Services, for relieving or releasing Consultant of any of its responsibilities, duties, obligations or liabilities pursuant to this Agreement, for cancellation or termination of this Agreement by Consultant or for withdrawal from the Services.
- 5.12.2 Should any works, matters or things required for the proper execution and completion of the Services be omitted from this Agreement by ISR, ISR shall – upon notice from Consultant to that effect or on its own initiative – give necessary explanations and instructions and decide what works, matters or things are to be done by Consultant and in what manner and order.
- 5.12.3 Consultant shall advise ISR in writing, immediately and in any case within no more than fifteen (15) days, upon becoming aware of any suspected or actual contradiction or discrepancies between the provisions of, or any omission in, any of the various documents comprising this Agreement.
- 5.13 Review and Approval. Consultant confirms and agrees that it shall apply to receive ISR's written consent, which shall not be unreasonably withheld, wherever ISR's consent, explicitly or implied, is required according to this Agreement. This requirement and the provision of ISR's consent, shall not derogate in any way from Consultant's responsibilities and liabilities under this Agreement, and ISR shall bear no responsibility or liability whatsoever in connection with the review (whether or not there are objections) and/or with any approval given to, or denied from, Consultant, with respect to any matter and/or document, including but without limitation, drawings, revision (at all phases), plans, tests or otherwise.
- 5.14 Consultant shall not have the benefit, whether directly or indirectly, of any royalty on, or of any gratuity or commission in respect of, any patented or protected article or process used in connection with the purposes of this Agreement unless the Parties mutually agree to the contrary in writing.
- 5.15 While in Israel, the Consultant, its employees and subcontractors shall respect the laws and customs of the country. Consultant shall hold all necessary licenses, permits and approvals necessary for the performance of the Services both in Israel and abroad. ISR shall assist the Consultant but cannot guarantee the time frame for granting the Consultant the necessary visas, licenses and permits and unobstructed access to all sites and locations involved in carrying out the Services.

- 5.16 Consultant shall submit to ISR written reports and data detailing the status of the Services and all issues relating thereto and/or any other drawings and/or documents and/or designs pertaining to the Services ("Reports"). Reports shall be submitted on a reporting cycle as shall be instructed by ISR. Reports will be provided in the English language only unless required otherwise by ISR.
- 5.17 Reports relating to the status of the Services and all Services provided by Consultant in each Task Order shall be submitted as specified in the Scope of Services (attached as Appendix A). ISR may request Consultant to advance the submission of the Reports. All provisions relation to Reports shall apply to Advance Reports, *mutatis mutandis*.
- 5.18 Consultant shall not be entitled to make any representations of whatsoever nature in the name of ISR and/or to obligate and/or to represent it obligating ISR and/or to sign in the name of ISR and/or in the name of anyone on its behalf without the prior written approval of ISR, and within the confines of such approval. Without derogating from the above, Consultant shall not be entitled to obligate and/or to represent it obligating ISR and/or to sign in the name of ISR and/or in the name of anyone on its behalf without the prior written approval of ISR in any matter that might affect the consideration to be paid to Consultant.
- 5.19 Consultant shall not be entitled to make any use whatsoever of the name of ISR and/or of the name of its directors or any of its employees and/or anyone on its behalf without receiving the prior written approval of ISR and within the confines of such approval.

6. SCOPE OF SERVICES

ISR hereby engages with Consultant, to provide ISR consulting services (as specified in Annex A1), all in accordance with the following procedures:

- 6.1 The Services to be performed by the Consultant, including the time frame for the performance thereof, shall be carried out through specific assignment orders issued from time to time by ISR, upon its own discretion and needs, as provided for below (the "**Work Package**"). It is hereby clarified that ISR shall be under no obligation whatsoever to obtain all and/or any part of the above-mentioned Services and may decide not to issue any Work Packages throughout the Agreement Period and/or issue Work Package to any third party as it may sees fit. The scope of the Services shall be subject to ISR's sole discretion and Consultant hereby waives any claim and/or demand against ISR.
- 6.2 Prior to the issuance of a Work Package, Consultant shall provide, upon ISR's request, information and documentation with regards to Consultant's experience in the provision of services in the field of the applicable Work Package and Consultant sources of knowledge and information.

6.3 The Services shall be provided in the Consultant's home country, Israel or in other country, as the circumstances shall require and as defined in each Work Package.

6.4 Without derogating from the Work Packages and/or the provisions of this Agreement, Services shall include, inter alia, the following:

6.4.1 Advising, supporting and consulting ISR on all actions required to receive Permission to Operate from the Israeli Ministry of Transportation to the various projects as detailed in the Scope of Services, in the time schedule defined by ISR.

6.4.2 Issuing all Reports and providing further support as required by ISR including a recommendation to the Israeli Ministry of Transportation to grant ISR a Permission to Operate the line, as detailed in Scope of Services within the time frame defined by ISR, unless for safety concerns (not due to any fault of Consultant) such report cannot be furnished as shall be explained by Consultant in writing and in advance.

6.5 **Work Package:**

6.5.1 The Work Packages shall be in accordance with Appendices A1-A2 and shall set out the specifications and special requests concerning the Services, and shall include, among others the following items:

- a) Details of the Services and specific scope of the work to be carried out;
- b) Deliverables to be provided (characteristics, reports, maps, etc.);
- c) Name of ISR coordinator for each Work Package;
- d) Time schedule for each Work Package. Such time schedule shall include, but is not limited to, details relating to the continuity of work, vacation or leave time, transportation requirements both within, and to and from Israel, work location;
- e) The identities of the Personnel who will perform the Services;
- f) Work Package Price, as detailed below.
- g) Milestones for payment the Work Package Price.

Only a Work Package dully signed by ISR shall oblige ISR.

6.5.2 Upon completion of each Work Package, the Consultant shall submit to ISR's Project Manager a signed form evidencing completion of the specific Work Package in the form attached hereto as ***Annex B2*** ("Certificate of Completion").

6.6 **Suspension of work:**

ISR may order the Consultant, in writing, to suspend, delay, or interrupt all or any part of the Services being performed under this Agreement for the period of time that ISR determines appropriate for the convenience of ISR. ISR shall be entitled to suspend any part of a Milestone up to one (1) year, and up to two (2)

years in each Work Package. Consultant shall be entitled to receive partial payments as specified in Section 14.6 hereunder, and Consultant hereby waives any other claim and/or demand against ISR in the event that ISR shall decide to suspend any and/or all of the Services as mentioned above. In case the suspension of work shall exceed 1 year per a Milestone and/or 2 years for the Project, the Parties shall discuss in good faith the consequences of such suspension.

6.7 **Optional Services:**

For the avoidance of any doubt, it is agreed that each service that is an integral part of a Work Package and/or derives from the scope of work detailed in the Work Package shall be deemed as included in the Work Package even if not specifically detailed in the Work Package and included in the Work Package Price.

Notwithstanding the above, ISR may require Consultant to perform additional services, related to the Services but fall outside the current scope of work (“**Optional Services**”). The Optional Services shall be performed upon mutual understanding between the parties and on the basis of the rates Specified in **Appendix B2.** Sections 6.1 – 6.6 shall apply mutatis mutandis on the Optional Services.

7. **ALTERATIONS AND MODIFICATIONS**

7.1 The parties acknowledge and confirm that the Scope of Services shall be the basis of the Consultant’s tasks.

7.2 ISR may at any time, by prior written order notified to the Consultant promptly, make changes within the Scope of Services to be performed hereunder.

7.2.1 To the extent that such alterations result in an increase or decrease in cost and completion time, such adjustments shall be based, to the extent possible, upon the elements and prices which were taken into account in formulating the pricing and timing for the originally-planned Services.

7.2.2 The Consultant must submit its proposal for the required adjustments within fifteen (15) days from the date of receipt of the ISR’s written request. Failure to submit such a proposal shall be deemed to be a waiver of the Consultant’s right to do so.

7.2.3 In the event the parties fail to agree to any adjustment under this Section 6.2, the Consultant shall nevertheless be obligated to perform the Services as directed by the ISR in accordance with the written changed Work Package.

8. **TERMINATION**

- 8.1 ISR may terminate the Agreement, in whole or in part, upon thirty (30) days prior written notice to the Consultant for any reason including without any cause. Upon receipt of such notice, Consultant shall take immediate steps to bring the Services to a close and to reduce expenditures to a minimum.
- 8.2 Without derogating from its rights under Applicable Law, ISR may terminate this Agreement in the event of a breach by the Consultant of this Agreement which has not been cured within fifteen (15) business days following receipt of a written notice of the breach. In the event that the Consultant does not satisfactorily respond to such notice within fifteen (15) business days, ISR may deem this Agreement as being immediately terminated without the need for further notice.
- 8.3 Consultant may terminate this Agreement in the event of a material breach by ISR of this Agreement which has not been cured within thirty (30) days following receipt of a written notice of the breach provided that ISR has not cured such breach.
- 8.4 Notwithstanding the provision of Section 8.2 above to the contrary, ISR may terminate this Agreement immediately upon the event of a perpetration by the Consultant of a criminal offence, or a breach of trust or impairment to ISR, duly established by a competent judicial or administrative public authority.
- 8.5 In the event of termination of this Agreement, for any reason whatsoever, the Consultant shall reasonably assist ISR with transferring all of the Consultant's activities to any other person or entity chosen by ISR in an orderly fashion without any cost to ISR. Consultant shall not have to bear traveling expenses.
- 8.6 Upon termination of any Work Package, subject to the obligation of Consultant to reduce expenditures to a minimum and provided that the Consultant fulfills its obligations under this Agreement, and is not in breach of the Agreement, the Consultant shall be entitled to receive the remuneration due it up to the effective date of termination.
- 8.7 Termination of this Agreement, for whatever reason, shall be without prejudice to, and in no way affect the accrued rights, claims and liabilities of either party, as provided for herein or by applicable law.
- 8.8 Consultant shall not be entitled to claim any damage including for loss of profits and/or goodwill and/or demand restitution and / or enforcement of this Agreement, in whole or in part in any manner whatsoever, and likewise shall not be entitled to request and receive injunctive reliefs.

9. **CONSULTANT'S PERSONNEL**

- 9.1 The Services shall be carried out by the personnel specified in *Annex C* ("**Consultant's Personnel**") hereof.

- 9.2 Consultant shall at all times retain full responsibility for the due performance of its obligations hereunder and for the satisfactory completion of the Services.
- 9.3 Except as ISR may otherwise agree, no changes shall be made with respect to the Key Personnel specified in *Annex C* in relation to a specific Work Package. If, for any reason beyond the reasonable control of the Consultant, it becomes necessary to replace the Consultant Personnel or to add ones, the Consultant shall provide, as a replacement, a person of equivalent or better qualifications.
- 9.4 If ISR determines that (i) any of the personnel performing the Services have committed serious misconduct or have been charged with having committed a criminal action, (including but not limited to any national security offense); or (ii) it has reasonable cause to be dissatisfied with the performance of any of the Personnel, then the Consultant shall, at ISR's written request specifying the grounds therefore, provide as a replacement a person with qualifications and experience acceptable to ISR.
- 9.5 Subject to Section 9.4, the Consultant shall have no claim for additional costs arising out of or incidental to any removal and/or replacement of any of the personnel.

10. SUBCONTRACTOR

- 10.1 Consultant will inform ISR within a reasonable time period in advance if any portion of the Services will be performed by a Subcontractor ("**Subcontractors**"). Appointment of a Subcontractor by Consultant shall be subject to compliance by the Subcontractor with all applicable terms and conditions of this Agreement.
- 10.2 The retaining by Consultant of any Subcontractor for the provision of the Services and/or any part thereof shall be subject to ISR's prior written approval.
- 10.3 If any Subcontractor shall fail to comply with this Agreement, ISR shall have the right to rescind its approval and/or or to instruct the Consultant to perform the relevant Services through another approved Subcontractor, whereupon the Consultant shall immediately stop employing such Subcontractor.
- 10.4 Consultant shall pay all consideration due to the Subcontractors (unless agreed otherwise by ISR) and shall defend and indemnify ISR against any claim and/or demand by any of the Subcontractors against ISR for payment and/or any consideration and/or compensation. Consultant shall procure that all Subcontractors shall have no legal recourse against ISR in any matter.
- 10.5 Consultant's Obligations and Liabilities. The approval, non-rejection, recommendation, instructions, directives or determinations made by ISR with regard to the employment of, and/or to the placement of orders for components and/or equipment with, any and all Subcontractor, shall not relieve Consultant of its responsibility to ISR in connection with the execution of the Services in

accordance with this Agreement or from any liability assumed by or imposed upon Consultant under this Agreement and under Applicable Law, nor shall it impose any liability or responsibility upon ISR in connection with the Subcontractor, including but without limitation for any acts and omissions done and/or Services executed by any and all Subcontractor, and Consultant shall be fully responsible towards ISR for the acts and omissions of the Subcontractor.

10.6 Consultant declares that it is solely responsible for the safety of its Subcontractor and undertakes to take reasonable care to keep them secure. Should ISR be obliged to compensate any Subcontractor for any damage caused to it during their provision of Services, the Consultant undertakes to indemnify ISR, upon demand, for any amount charged to it as aforesaid.

10.7 The agreement signed between the Consultant and its Subcontractor which relates to the performance of Consultant obligations under this Agreement shall include all of the following provisions:

10.7.1 Subcontractor is aware of and agrees to all provisions of this Agreement and their consequences as they relate or apply (expressly or implicitly) to such Subcontractor agreement and/or to the Services to be performed and/or to the equipment and/or components and/or materials to be supplied under such Subcontractor agreement and undertakes to comply with such provisions.

10.7.2 Subcontractor shall have no legal recourse against ISR in any matter arising out of or connected with the Services. Without derogating from the generality of the above, Subcontractor shall waive any Retention Right against Consultant and ISR, and will confirm that the payments to be made by Consultant to Subcontractor contain ample financial provisions concerning such waiver by Subcontractor of all Retention Rights.

10.7.3 Subcontractor shall abide by any order of ISR regarding the removal of any specific employee, at ISR's sole discretion.

10.8 No Changes in Identity of Subcontractor. Following the approval of any Subcontractor by ISR, no changes in the identity of such Subcontractor shall be made absent ISR's prior written approval.

10.9 For the avoidance of any doubt, the Local Representative shall be deemed as a Subcontractor for all purposes.

11. INDEPENDENT CONTRACTOR

11.1 The Consultant shall for all purposes of this Addendum be deemed to be an independent contractor, and shall not be considered in any way or manner an employee, agent or representative of ISR.

- 11.2 All acts, deeds and omissions of the Consultant and/or its employees, and/or anyone acting on its behalf in performing the Services (including without limitation ANY Consultant's Personnel) shall be the sole responsibility of the Consultant as an independent contractor.
- 11.3 The Consultant undertakes that neither it nor anyone acting on its behalf shall assert any claim or cause of action against ISR in connection with employer-employee relations which may have allegedly existed between the Consultant and ISR, and if it does so, the Consultant shall indemnify ISR upon its first demand for any expense that may be incurred by it in respect of or in connection with a claim as aforesaid, including attorneys fees.
- 11.4 Consultant (or a Subcontractor, as applicable), is the sole employer of its personnel. Consultant shall be solely responsible and shall bear and pay all payments required from an employer under any Applicable Law, collective bargaining agreement and extension orders, including but without limitation, payment of all salaries (which shall not be less than the minimum salary required under law), vacation payment, sick leave payment, recuperation payment, severance, social security, fringe benefits, and all payments which Consultant (or a Subcontractor, as applicable) is obligated to pay as an employer with respect to such Consultant's (or Subcontractor as applicable) personnel, and Consultant (or a Subcontractor, as applicable) will issue a pay slip to such personnel every month.
- 11.5 For the removal of doubt, Consultant (or a Subcontractor, as applicable) and any of its/their employees and anyone on its or their behalf shall be prevented from asserting any claim at any time in the future which may result in the imposition on ISR of any of Consultant's (or Subcontractor, as applicable) obligations under this Section, and ISR shall under no circumstances be liable for any payment to which the Consultant's (or Subcontractor, as applicable) personnel may be entitled as a result of employee-employer relations.
- 11.6 If despite the foregoing, any tribunal and/or any other competent authority will determine that this Addendum and/or the performance of this Addendum creates an employer-employee relationship between ISR and any of the Consultant's (or Subcontractor as applicable) personnel and/or that any of the Consultant's (or Subcontractor, as applicable) personnel are entitled to any rights and/or payments as a result thereof, then Consultant shall indemnify and defend ISR from and against all such liabilities, including any expenses incurred by ISR with respect to such claims
- 11.7 Consultant declares that it is solely responsible for the safety of its employees employed/engaged by it in the Project and undertakes to take reasonable care to keep them secure. Should ISR be obliged to compensate any employee employed on Consultants behalf, for any damage caused to them during their Services, the Consultant undertakes to indemnify ISR, upon demand, for any amount charged to it as provided.

12. LIABILITY OF CONSULTANT

12.1 Notwithstanding anything contained herein to the contrary, Consultant agrees to indemnify and hold harmless ISR and its directors, officers, and employees from and against all taxes, losses, damages (including direct, indirect or consequential damages) or loss to property of either ISR or third parties, or injuries to or death of persons, including employees of ISR and third parties, of whatever kind caused by, arising out of, incidental to, or connected with the Services, liabilities, costs and expenses, including attorney's fees and other legal expenses, arising directly or indirectly from (i) any negligent, reckless or intentionally wrongful act of Consultant or Consultant's assistants, employees or agents, (ii) a determination by a court that the Consultant is not an independent contractor, or (iii) any breach by the Consultant or Consultant's assistants, employees or agents of any of the covenants contained in this Agreement . Such responsibility shall include court costs and attorneys' fees, if any, in proportion to the Consultant's share of the liability. However the Consultant's overall liability under this Agreement shall be limited to an amount of a total of 100% of the Contract Price.

Notwithstanding the aforesaid, for the following types of damage, no limitation of liability shall apply:

- Damages of any kind and amount with relation to an intentional or malicious act or omission by the Consultant, its employees, agents, representatives and subcontractors.
- Damages caused by claims asserted against ISR by third parties due to actual infringement of intellectual property rights with respect to the Services, which will have been asserted by a competent jurisdiction in a final and binding decision.
- Any bodily injuries for which the Consultant is responsible.

12.2 In the event that a competent court has determined that the Consultant is not an independent Contractor as aforesaid in Section 12.1, the Consultant agrees and acknowledges that were the Consultant to have been engaged as an employee of the ISR, the monthly salary that would have been payable to the Consultant would have been based on only forty percent (40%) of the Work Package Price (excluding VAT).

12.3 Should ISR be charged by a court of law to pay any amount to a third party for damages or loss for which the Consultant is responsible, as stated herein, the Consultant shall either reimburse ISR or fully compensate the third party directly, at ISR's option, for any amount which ISR or the Consultant shall be obliged to pay by a court of law as aforesaid, including all the loss and expenses incurred by ISR in that respect. The amount of any such reimbursement shall be regarded as a debt due from the Consultant to ISR under this Agreement. In the event of such a claim being lodged against ISR as aforesaid, ISR shall inform the Consultant about it in writing within a reasonable time thereafter.

12.4 ISR does not assume any liability to third persons, nor will ISR reimburse the Consultant for its liability to third persons (including but not limited to the Consultant's sub-consultants, agents, employees and representatives), with respect to loss or damage due to death, bodily, mental or emotional injury or damage to property resulting in any way from the performance of the Services under this Agreement or any subcontract hereunder, and the Consultant alone shall bear the responsibility in any such case.

13. INSURANCE

13.1 Without derogating from any of the Consultant's responsibilities and liabilities under this Agreement and/or under any applicable law, the Consultant shall maintain, at its own expense, at all times for as long as any liability under this Agreement may exist, insurance policies from reputable insurers, which shall include at least the following:

- The Consultant's employees employed by it in execution of the work forming the subject of this contract shall be covered under a national social insurance institution or under an insurance policy, against any bodily, mental, or psychological injury or death as a result of an accident or illness.
- **Third Party Liability Insurance:** covering the legal liability of the Consultant and its employees in connection with this Agreement, towards third parties, for physical injuries and/or property damages which may arise as a result of the performance of this Agreement. The limit of liability thereof shall not be less than 250,000 Euro (€) for any one occurrence and in the aggregate for any annual insurance period.
- **Professional Liability Insurance:** covering the legal liability of the Consultant as a result of any negligent act, error or omission of the Consultant, its employees, agents or other parties that may be engaged by the Consultant in connection with this Agreement arising out of the performance of this Agreement. The limit of liability thereof shall be no less than 1,000,000 Euro (€) for any one occurrence and in the aggregate for any annual insurance period.
The Retroactive Date must coincide with, or precede, the commencement of the Agreement;

13.2 The Consultant shall refrain from canceling the insurance policies and/or from decreasing their scope. The Consultant will – on ISR's request - provide yearly updated confirmations of liability insurance.

13.3 The Consultant represents and warrants that it shall not have any claims, demands and/or actions against ISR and/or anyone on its behalf and/or the Israeli Government, concerning damage to its property or other property used in performing services. The foregoing shall not apply for the benefit of anyone who caused damage with malicious intent.

13.4 The Consultant confirms that it has no claims or demands against ISR regarding costs or premiums of the insurance policies required to be purchased

by it under this section. For the avoidance of doubt, it is agreed that the insurance policies required to be purchased under this section, including the limits specified herein, are stated as a minimal demand from the Consultant. The Consultant is encouraged to further scrutinize its exposure to liability and to add and/or increase the types and scope of insurance coverage.

13.5 The Consultant undertakes to indemnify ISR for any amount incurred by ISR as a result of a violation by the Consultant (and/or any person or entity acting on its behalf) of any of the conditions of its insurance policies.

13.6 The Consultant shall be responsible to ensure that any and all Subcontractors working on its behalf shall carry the same insurance policies as mentioned in this section,

13.7 The Consultant undertakes to provide ISR with a confirmation of cover all of its liability insurance policies, within fourteen (14) days of ISR's first written request.

14. **REMUNERATION OF CONSULTANT**

14.1 The Consultant's total remuneration for providing each Work Packages will be as detailed in each relevant Work Package ("**Work Package Price**"). At the request of Consultant, Work Package Price shall detail the consideration paid to Consultant in Euro and consideration paid to Local Representative in NIS.

14.2 The Work Package Price and daily fees specified in the Work Packages include all taxes, fees, duties, licenses, costs and other payments that are to be paid in connection with the Services. Notwithstanding the above, the prices do not include the applicable Value Added Taxes ("VAT").

14.3 The Work Package Price prices and fees specified in Annex A2 include any sum which the Israeli Tax Authorities require to be withheld at source except VAT. The amounts required by the applicable law to be withheld at source by the Israeli Tax Authorities shall be paid by ISR directly to the Israeli Tax Authorities and shall be deducted from all sums set out in Annex A2 pursuant to the Agreement.

14.4 The sums stated in Work Package Price constitute the final, complete and inclusive price that will be paid to the Consultant for providing the Services, including all of the related staff costs, office expenses, Subcontractor Services (Including Local Representative), translating necessary documents provided by ISR to Hebrew, typing of documents, preparation of drawings, blueprints, communications, traveling expenses to Israel and from Israel (including all expenses relating to lodging, accommodations, insurance, visas etc.), traveling expenses within Israel and within Europe, and mailing and all other costs, expenses and taxes incurred by the Consultant in carrying out the Services, and the Consultant shall not be entitled to any other payment, fee or compensation without written approval from ISR. Without derogating from the aforementioned, neither the Consultant nor any of its personnel shall accept any trade commission, discount, allowance, indirect payment, or any other consideration whatsoever in connection with or in relation to this Agreement or to the discharge of its obligations hereunder.

14.5 At the request of the Consultant, ISR shall pay the Local Representative in NIS directly part of the Work Package Price ("**Local Representative Payment**") and then the Local Representative Payment shall be deducted from the Work Package Price.

All payments made pursuant to this Agreement directly to the Local Representative shall be deemed for any and all purposes to have been paid in full by ISR under this Agreement and Consultant hereby irrevocably waives any and all claims against ISR with respect to the sums paid directly to the Local Representative. Total Payments made directly to the Local Representative by ISR shall not exceed 10% of the Work Package Price.

As a condition to any payment by ISR to the Local Representative, the following requirements must be complied with:

- (i) Local Representative must be duly registered with the Israeli tax authorities as 'authorized dealer' (in Hebrew: "עוסק מורשה").
- (ii) Local Representative shall submit to ISR all necessary approvals and registrations as required by the Israeli Tax Authorities and under the Public Entity Transaction (Enforcement of accounting management and payment of taxation debts) Law, 5736-1976 (in Hebrew: חוק עסקאות גופים ציבוריים אכיפת ניהול חשבונות ותשלום חובות מס), (תשל"ו-1976).
- (iii) Any payment by ISR hereunder to Local Representative shall only be made against, and shall be contingent upon, the issuance by Local Representative to ISR of a tax invoice which entitles, by law, the deduction of 'input tax' (in Hebrew "Mas Tsumot" or "מס תשומות") with respect to the VAT relating to such payment by ISR.

14.6 In case ISR has exercised its right to suspend the works as specified in Section 6.6 above, Consultant shall be entitled to receive no more than 50% of the Work Package Price according to the following breakdown:

Suspension of Works duration (in months)	% of Work Package Price to be paid	Total % of work Package Price to be paid
0-6	0%	0%
6-9	15%	15%
9-12	20%	35%
12-18	15%	50%
18-24	0%	50%

14.7 Currency.

- (a) All payments to Consultant will be made in EURO by means of a bank transfer to the Consultant's Bank Account No. _____ Swift Code: _____, Account Name: _____, Bank name and address: _____.
- (b) All payments to Local Representative will be made in New Israeli Shekels (NIS). The exchange rate for converting the proposals into NIS shall be an average of the last five representative exchange rates as published by the Bank of Israel prior to the date of the invoice issued by Local Representative to ISR for each payment.

14.8 ISR shall be entitled to deduct from any and all sums payable pursuant to this Agreement the amounts ISR is legally required to withhold at source, unless an appropriate exemption has been provided by Consultant or Local Representative, as applicable, prior to the date of such payment, and any amount so deducted shall be deemed for any and all purpose to have been paid in full by ISR under this Agreement. For the removal of doubt it is hereby clarified that Consultant and/or Local Representative alone shall be responsible to obtain any appropriate exemption.

14.9 At the written request of Consultant or Local Representative, as applicable, ISR shall delay any payment due to Consultant or to Local Representative, respectively, if such delay is required by them in order for Consultant or Local Representative to obtain an appropriate exemption from the Israeli tax authorities. A request for such delay of payment must be submitted to ISR at least fifteen (15) Business Days prior to the scheduled date for the relevant payment. Neither interest nor any adjustment will accrue with respect to payment delayed at the request of Consultant or Local Representative as per the above, and any amounts the payment of which is so delayed shall be considered to have been paid timely by ISR.

14.10 ISR shall deduct from all sums payable pursuant to this Agreement the amounts of income tax it is required to withhold at source by the Israeli tax authorities. Consultant and/or Local Representative shall provide ISR with any and all of the relevant forms of the Israel Income Tax Authorities concerning the exemption, reduction or withholding of income tax before the payment of the Contract Price.

14.11 Israeli VAT.

Subject to Section **שגיאה! מקור ההפניה לא נמצא.** ISR shall pay the VAT applicable to payments to which Local Representative is entitled hereunder. For the removal of doubt, Consultant shall not bear the VAT applicable to any of all Work Package Price less Local Representative Payment.

14.12 **Documents to be submitted to ISR and terms of payment:**

14.12.1 Each payment in Work Packages is subject to ISR's receipt, at least sixty (60) days prior to the payment date the following documents:

(a) A duly signed Certificate of Completion for Milestone by ISR in the form attached hereto this Agreement as Annex B1.

(b) a signed invoice of the Consultant in the amount of the quarterly payment;

14.12.2 Final Payment of each Work Package is subject to ISR's receipt, at least sixty (60) days prior to the final payment date the following documents:

(a) a signed invoice of the Consultant in the amount of the final payment;

(b) a duly signed Certificate of Completion for Work Package in the form attached hereto this Agreement as Annex B2.

15. LIQUIDATED DAMAGES

15.1 In the event that the completion of any of the Milestones and/or Schedule, as such terms shall be defined in each Work Package, shall be delayed beyond the time specified in the relevant Work Package, or in any other schedule agreed in writing by the parties, ISR may impose agreed upon liquidated damages on Consultant as detailed herein:

15.1.1 For any delay in achieving Milestones: 0.5% of the applicable Work Package Price per business day.

15.1.2 For any delay in submitting Reports: 0.5% of the applicable Work Package Price per business day.

(the "**Liquidated Damages**").

15.2 The aggregate amount of Liquidated Damages pursuant to this Section to which ISR will be entitled to under this Agreement shall be capped to thirty percent (30%) of the then applicable Work Package Price.

15.3 Without derogating from any other provisions of this Agreement and/or from any right and/or remedy available to ISR under the relevant circumstances, the following provisions shall apply to any liquidated damages to be paid by Consultant under this Agreement:

15.3.1 the Liquidated damages in this Agreement have been determined after due consideration of the damages the parties anticipate that ISR will suffer under the specific circumstances to which each specific type of liquidated damage apply, and therefore they shall not be regarded as a penalty and shall not be conditioned on ISR having to present evidence of any loss.

15.3.2 Liquidated damages shall be paid by Consultant to ISR within sixty (60) days from the date they become due.

16. LANGUAGE

All communication and documentation submitted under this Agreement whether by way of oral presentation or written reports, including all correspondence between ISR and the Consultant, shall be in English.

17. FORCE MAJEURE

17.1 Events of Force Majeure. An event of force majeure shall mean any unavoidable event beyond the reasonable control and contemplation of the party invoking the existence of such event, including, but not limited to, act of God, epidemic, earthquake, seaquake, alluvium, shipwreck or war; provided, however that the absence of shipping or other means of transportation, and disturbances in the territories of Gaza, Yehuda and Shomron, including disruptions in the supply of labor therefrom, shall not be deemed an event of force majeure.

17.2 Effect of Force Majeure. Subject to the party invoking force majeure using all reasonable efforts to reduce the effect of such a delay or failure, such party shall not be responsible or liable for any delay or failure to perform its obligations under this Agreement if the delay or failure is attributable to an event of force majeure, provided however that if an event of force majeure continues over one hundred eighty (180) days, ISR shall have the right to terminate this Agreement by delivering written notice to Consultant.

17.3 Notice of Force Majeure. Neither party shall be entitled to avail itself of the provisions of this Section 17. **שגיאה! מקור ההפניה לא נמצא.** unless it so notifies the other within fourteen (14) days from the first occurrence, and cessation, of an event of force majeure.

18. CONFIDENTIALITY

18.1 Consultant agrees that Confidential Information will not be used for any purpose other than for the performance of the Services under this Agreement (the “**Purpose**”). Consultant shall only disclose the Confidential Information to those of its Representatives (as hereafter defined) that have a need to know such Confidential Information for the Purpose and who are subject to non-disclosure and non-use obligations no less restrictive than those set forth herein.

- 18.2 Consultant shall maintain in confidence all Confidential Information disclosed by or on behalf of the ISR and/or generated under this Agreement.
- 18.3 Consultant shall not, and shall cause any of its affiliates and its and their respective trustees, directors, officers, employees, Subcontractors ("Representatives") not to, directly or indirectly, use or exploit nor allow others to use or exploit any of the ISR's intellectual property for any purpose other than the Purpose. Consultant shall be liable for any disclosure or misuse of the ISR's Confidential Information which results from its failure, or the failure of its Representatives, to comply with the terms and conditions of this Agreement or their other obligations and/or duties with respect to the ISR's Confidential Information.
- 18.4 Promptly, but in any event within seven days, following (i) the termination or expiration of this Agreement or (ii) the receipt of a written request by the ISR, Consultant and its Representatives will cease making any reference to or use of the Confidential Information and deliver to the ISR all Confidential Information and all documents or media containing any such Confidential Information. The Consultant shall be entitled to keep one archival copy of all the Confidential Information to comply with its obligations imposed by any applicable laws or regulations including but not limited to compliance with statutory record keeping standards as well as compliance with the requirements of its accreditation bodies and to disclose such Confidential Information upon request.
- 18.5 Consultant shall not use the names of the ISR or its Representatives in any manner or for any purpose whatsoever in relation to this Agreement, its subject-matter and any matter arising from this Agreement or otherwise, unless the prior written approval of the ISR has been obtained thereto, unless such mention is to any competent authority for regulatory approval, or the filing of any patent application pursuant to this Agreement, or in the fulfilment of any legal duty owed to such competent authority (including reporting requirements), or is required by applicable law, rule or regulation, or in any publication.

19. **Intellectual Property**

- 19.1 The copyright and other intellectual property rights of all documents prepared by Consultant in connection with this Agreement shall belong exclusively to ISR. Consultant may make copies of such documents but shall not use the contents thereof for any purpose unrelated to the Services without the prior written approval of ISR.

- 19.2 The Consultant agrees that all Services undertaken by Consultant for ISR during the period of this Agreement, including without limitation all protocols, processes, documentation, notes, records, reports, inventions, improvements, developments, discoveries, and trade secrets (collectively, the "Services Products") which the Consultant produces in the course of performing the Services hereunder, are and shall be, the sole property of ISR. The Consultant hereby assigns any right and title that it may have by law in such Services Products and undertakes to sign any further deed or document required to perfect such assignment.
- 19.3 Without derogating from the above, ISR may exploit as it sees fit the results of the Services and/or any document provided by Consultant including changing it and/or disclosing it to third parties, without any limitation.
- 19.4 Any assignment of copyright hereunder (and any ownership of a copyright as a work made for hire) includes all rights of paternity, integrity, disclosure and withdrawal and any other rights that may be known as or referred to as "moral rights" (collectively "Moral Rights"). To the extent such Moral Rights cannot be assigned under Applicable Law and to the extent the following is allowed by the laws in the various countries where Moral Rights exist, Consultant hereby waives such Moral Rights and consent to any action of the ISR that would violate such Moral Rights in the absence of such consent.
- 19.5 Equipment and materials furnished to Consultant by ISR or purchased by Consultant with funds supplied or reimbursed by ISR shall belong to ISR and shall be so marked.
- 19.6 Upon completion or termination of the Services, for any reason (including breach of this Agreement by ISR), Consultant shall without any delay and upon ISR's immediate request submit and deliver to ISR all documents, notes and other information or equipment furnished to Consultant by ISR or prepared or designed by Consultant in connection to the Agreement.
- 19.7 Consultant shall be liable for, and shall hold ISR harmless and indemnify it from and against, any claim of infringement of any Intellectual Property Right of third parties contained in documents or other Services prepared by it.

20. APPLICABLE LAW; SETTLEMENT OF DISPUTES

- 20.1 Dispute Resolution Process. The parties shall attempt to resolve any dispute, argument, disagreement or controversy between them amicably.
- 20.2 Notwithstanding the provisions of this Section, ISR shall be free to seek remedies at law or in equity, including, without limitation, injunctive relief, through courts of competent jurisdiction, in order to protect its rights.

- 20.3 **Governing Law and Jurisdiction.** This Agreement will be governed by and construed solely in accordance with the substantive laws of the State of Israel, irrespective of its choice of law principles; the competent courts in Tel Aviv–Jaffa, Israel, shall have sole and exclusive jurisdiction over every Dispute arising from, or in connection with this Agreement that the parties were not able to resolve amicably. The parties agree that the Sale (International Sale of Goods) Law, 5760–1999, the Uniform Law on International Sales (1964) and the United Nations Convention on Contracts for the International Sale of Goods will not govern this Agreement, the rights and obligations of the parties hereunder, nor any agreement or other instrument that may be executed to implement this Agreement.
- 20.4 **Dispute not Effecting Delivery.** Consultant agrees and undertakes that no Dispute shall entitle Consultant to delay or withhold the continuation of the Services so as to meet the timetables, subject to ISR paying to Consultant any undisputed amounts, and the Dispute shall be resolved pursuant to the Dispute resolution process specified in this Section 20 above.

21. MISCELLANEOUS

- 21.1 **Exercise or Non–Exercise of Rights by the Parties.** Consent by a party to deviate from any of the provisions of this Agreement in a particular case shall not constitute a precedent, and no inference by analogy shall be drawn from it in respect of any other case. If a party does not exercise any of the rights conferred upon it by this Agreement or any Guarantee arising hereunder in a particular instance, such fact shall not be regarded as a waiver of those rights in any other instance and shall not be considered as implying or indicating a waiver of any right under this Agreement.
- 21.2 This Agreement does not provide Consultant with exclusivity in any way. ISR shall have the right to enter into a framework agreement with more than one consultant for providing the Services, as set forth in this Agreement. The above shall not be construed under any circumstances as a commitment of any kind whatsoever on the part of ISR, to issue Work Packages to the Consultant during any period of time.
- 21.3 Without derogating from any right of set–off conferred upon ISR elsewhere in this Agreement or under Applicable Law, ISR shall have the right to set–off against any amounts that may be owed to Consultant pursuant to this Agreement and/or to any other Agreement between ISR and Consultant, any amount, debt or payment owed by Consultant to ISR pursuant to this Agreement (including but without limitation in the form of indemnification or compensation for damages, regardless if their sum is liquidated or not).

- 21.4 Consultant hereby waives any possessory lien, mechanic's lien or similar possessory or retention right (in Hebrew: "זכות עיכון") and preservation of ownership (in Hebrew: "שימור בעלות") (collectively, "Retention Rights") against ISR with regard to Services' parts, Services' assemblies, and the Services themselves in connection with this Agreement, including, but not limited to, the items of the Services that are in the possession of Consultant in Consultant's Service shops or which are in the possession of Subcontractors. Consultant hereby agrees and undertakes that it shall insert a provision into any agreement with any Subcontractors, which will provide that said Subcontractors similarly waives any Retention Right against Consultant and ISR with regard to parts, assemblies, and the Services themselves and noting that said provision is inserted in the Subcontract for the benefit of ISR, as an intended third party beneficiary, and that the waivers called for therein are binding on the successors, heirs, assigns and subsidiaries (whether wholly or partly owned or controlled) of said Subcontractors.
- 21.5 Entire Agreement; Amendments. This Agreement and the Mandatory Requirements constitute the entire agreement between the parties concerning the subject matter hereof, superseding all prior and contemporaneous drafts (including drafts of the Agreement that formed part of the RFP), proposals, negotiations, communications, documents, understandings and agreements, written or oral, with respect to the subject matter of this Agreement, unless specifically incorporated herein by reference. Any such superseded documents shall not be used in any manner for the interpretation of this Agreement and shall not constitute admissible evidence in any proceedings between the parties. This Agreement may only be amended by a written document signed by both parties (unless expressly specified otherwise in this Agreement).
- 21.6 No Third Party Beneficiaries. All rights and obligations of the parties hereunder are personal to them. This Agreement is not intended to benefit, nor shall it be deemed to give rise to, any rights to any third party (including, without limitation, all Subcontractors including ISS).
- 21.7 Severability. If any provision of this Agreement is held or made invalid or unenforceable for any reason, such invalidity or unenforceability shall not affect the remainder of this Agreement, and the invalid or unenforceable provisions shall be replaced by a mutually acceptable provision, which, being valid, legal and enforceable, comes closest to the original intentions of the parties hereto and has like economic effect.

IN WITNESS WHEREOF, the Parties have signed this Agreement:

ISRAEL RAILWAYS LTD.

CONSULTANT

By: _____

By: _____

Its _____

Its: _____

By: _____

By: _____

Its _____

Its: _____

List of Annexes to Agreement

Annex A1	Scope of Services Work Packages (shall be attached when issued by ISR)
Annex A2	Consideration
Annex B1	Certificate of Completion of Milestone
Annex B2	Certificate of Completion of Work Package
Annex C	Consultant's Key Personnel

ANNEX A

WORK PACKAGE (shall be issued by ISR)

ANNEX B1

CERTIFICATE OF COMPLETION
OF MILESTONE

I hereby certify that Milestone _____ in the Work Package No. _____ has been completed in accordance with Agreement No. ### dated _____.

This certificate is issued without prejudice to the rights and powers of ISR under the above mentioned Agreement and the laws of Israel.

Consultant's Project Manager: _____

Date: _____

ISR's Project Manager: _____

Date: _____

ANNEX B2

CERTIFICATE OF COMPLETION
OF WORK PACKAGE

I hereby certify that the Work Package No. _____ has been completed and all services have been received by ISR in accordance with Agreement No. ### dated _____ .

This certificate is issued without prejudice to the rights and powers of ISR under the above mentioned Agreement and the laws of Israel.

Consultant's Project Manager: _____

Date: _____

ISR's Project Manager: _____

Date: _____