



TENDER N° 41907

ISA services

("TENDER")

General Terms and Conditions

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

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 (the "Services"), pursuant to the terms and conditions of the Agreement attached hereto, all in accordance with and subject to the terms specified in these General Terms and Conditions and the accompanying Tender Documents.

1. Scope of Services

- 1.1. The Services to be performed by the winning bidder ("Contractor") shall be carried out in accordance with the Scope of Services as set forth in the attached **Appendix A** and as instructed by ISR.
- 1.2. ISR may decide not to obtain all of the Scope of Services and shall be under no obligation whatsoever to obtain all or any part of the Services requested under this Tender.

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

- 2.1. The Bidder has been accredited and is certified by the European Union Agency for Railway (EUAR) to provide a Safety Assessment Report (SAR) documents, which enables the local regulator to conclude whether or not to produce a PTO.
- 2.2. The bidder has provided Services, commencing from 2014 and onwards, for at least two projects in the field of heavy railways, with a scope of no less than four hundred (400) million Euro per project.

Definitions:

Safety Assessment Report (SAR)- Final ISA assessment of the project which is based on all the technical assessments and take into consideration the integration and operational issues. Constitute a mandatory document for the PTO.

3. Proof of Compliance

3.1. Bidder shall prove full compliance with the Prerequisite specified in Section 2 above, by submitting to ISR all the details, documents and confirmations required under the provisions of the Prerequisites which shall include, inter alia, the following:

3.1.1. Bidder shall prove its full compliance with the Prerequisite set forth in Section ~~2.12.12.1~~, by submitting a certificate certifying that it has been accredited and is certified by the European Union Agency for Railway (EUAR) to provide a Safety Assessment Report (SAR) documents, which enables the local regulator to conclude whether or not to produce a PTO.

3.1.2. Bidder shall prove its full compliance with the Prerequisite set forth in Section ~~0002.22.22.2~~ by submitting a signed and completed Experience and Reference List, in the form attached hereto as **Appendix D**, evidencing that Bidder has provided Services, commencing from 2014 and onwards, for at least two projects in the field of heavy railways, with a scope of no less than four hundred (400) million Euro per project.

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השתנה קוד שדה

4. Location of Work

4.1. The Services shall be provided as required in **Appendix A** and in the Agreement, in Israel (collectively hereinafter: the "ISR's Facilities") or in any other site, if the circumstances shall require.

4.2. The services shall be able to be provided, as required, in more than one site in parallel, if necessary.

5. Time frame for performance of Scope of Services

5.1. ~~The time frame for the performance of the Services shall be set out in each work package. The time frame for the performance of the Services shall be in accordance with and in full consistency to the estimated timetable as set out in Appendix A.~~ It is hereby clarified that in the event that the timetable shall be prolonged, the Bidder shall not be entitled to any additional costs than those specified in **Appendix B** for the performance of Scope of Services.

5.2. **Optional Services** – ISR may ask the Bidder to perform additional services, related to the Services ("Optional Services"). The Optional Services shall be performed upon mutual understanding between the parties and on the basis of the rates quoted by the bidder in **Appendix B**.

5.3. All works, documents and or other aids produced and or used by the winning bidder while performing their obligations, shall be uploaded to an open source smart system/ data base, and ISR and all entities that take part in the ISA process shall have full access to all the documents. agreement

6. Governing Agreement

The Services, including but not limited to, the price, terms of payment, scope of liability, responsibility and all other general and legal terms for the engagement with the winning bidder (the "**Supplier**"), shall be governed by the terms and conditions of the frame agreement attached hereto as **Appendix C** (the "**Agreement**"). The Agreement and the appendices attached thereto constitute an inseparable part of this Tender.

7. Price Proposal

7.1. The total price for the Services shall be quoted by the bidder in the bidder's proposal form attached hereto as **Appendix B** ("**Bidder's Proposal Form**"). It is hereby clarified that all sums shall be quoted in **Euro (€)** currency.

7.2. The price and fees specified in the Bidder's Proposal Form (**Appendix B**) shall include all taxes, fees, duties, licenses, costs or other payments that are to be paid in connection with the services, including, the cost of flight tickets, transportation expenses and daily cost for board and lodging in Israel.

7.3. Furthermore, any Israeli VAT levied on the Services by the Israeli Tax Authorities shall be borne by ISR.

7.4. The price and fees specified in **Appendix B** shall include any sum which the Israeli Tax Authorities require to be withheld at source. The amounts required by the applicable law to be withheld at source by the Israeli Tax Authorities shall be **deducted** from all sums set forth above and shall be paid to the Israeli Tax Authorities.

7.5. The prices quoted in the Bidder's Proposal Form shall constitute **the final, complete and inclusive price** that will be paid to the Bidder for providing the Services, including all of the related expenses and taxes, and the Bidder shall not be entitled to any other payment, fee or compensation whatsoever from ISR.

8. Terms of Payment

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

9. Evaluation process and selection of Winning Proposal

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

- 9.1.1. **Stage A –Pre-Requisite-** Bidders will be reviewed in order to certify compliance with Section 2 above
- 9.1.2. **Stage B - Commercial Evaluation** – ISR shall open the commercial proposals of Bidders who satisfied Stage A, proved compliance with all requirements of the Technical Specifications and achieved a score of at least 20 points at the TE, as detailed in Stage B above.

10. Selection of Winning Proposal

- 10.1. The Winning Bidder shall be the Bidder whose proposal fully complies (and evidences compliance with) the Pre-requisites as per Section 2 above and all of the other requirements of the Tender and offers the lowest TP (total price) for the Services
- 10.2. The criteria to be used by ISR for selecting the Winning Proposal shall include the Lowest TP (Total Price) for the Services as set out in Section 7 and 8 of the Bidder's Proposal Form (Appendix B).

$$\text{TP} = \text{SP} + \text{OP} \times 0.7$$

Where:

TP (TOTAL PRICE)

SP (SERVICES PRICE) = Project 431 + Project Eastern Line + Project 4th track in Ayalon

OP (OPTIONAL PRICE) = A1+A2+A3+B1+B2+B3+C1+C2+C3+DBL

- 10.3. 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.

10.3.1. – Stage C- Nomination of Conditional Winner:

- 10.3.1.1. Conditional Winner shall be the Bidder whose proposal fully complies with the Prerequisites specified in Section 1 above and has the lowest TP.

10.3.2. Stage D - Conditional Winner's Examination:

- 10.3.2.1. The conditional winner shall be examined by the Israeli Ministry of Transport. ISR's representatives may, at their sole discretion, require further information from past customers in order to verify Conditional Winner's ability to perform its undertakings under the Tender.
- 10.3.2.2. Furthermore, the Ministry of Transport has sole discretion to decide as they see fit to approve the conditional winner or not.
- 10.3.2.3. The Winning Bidder shall be the Conditional Winner that receives from ISR a Winning Bidder's Notice, as detailed below.
- 10.3.2.4. The Winning Bidder shall be the Bidder whose proposal fully complies with the Pre-requisite specified in Section 1 above as well as the Tender's requirements, and has the lowest TEP (Total Evaluated Price), as specified ~~in in Section~~ in Section _____ of the Bidder's Proposal Form (Appendix B).

11. Submission of Proposals

11.1. All proposals must be submitted no later than ~~October 13th~~ **October 27th, 2020 by 13:00 (Israel time)** ("Final Submission Date") **in two separate envelopes**, as specified below, which shall read **Tender n° 41907** hereinafter: the "Main Envelope") at the address set forth below.

11.2. The proposal shall be submitted by a single bidder. Proposals submitted by more than one bidder will be disqualified.

11.3. The proposal is to be submitted **in 2 copies** into **Tender Box No. 8**, located at the following address:

**Israel Railways Ltd.
Contracting & Procurement Division – Tender Box #8
Yoseftal 1, Lod, 7136801, Israel**

11.4. The bidder is requested to read carefully all of the documents attached herein and submit the following documents which should be included in the Main Envelope, signed, where applicable, by the authorized signatory bodies.

11.5. A separate envelope which shall read "**Commercial Proposal - Tender n° 41907**" shall be inserted in the Main Envelope and shall include the following:

11.5.1. A signed and completed Bidder's Proposal Form (**Appendix B**).

11.6. A separate envelope which shall read "**Pre-requisites - Tender n°41907**" shall be inserted in the Main Envelope and shall include the following technical information:

11.6.1. A signed copy of the Scope of Work (**Appendix A**)

11.6.2. 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**).

11.6.3. List of proposed team members for the Project.

11.6.4. A signed and completed Experience and Reference List, in the forms attached hereto as **Appendix D**, evidencing compliance with the Pre-requisites as applicable.

11.6.5. C.V.'s of the proposed team members for the Project

11.6.6. Company profile of the bidder and its expertise;

11.7. 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 canceled, ISR shall be entitled to elect, as a winning proposal,

the proposal which offered the next lowest price for the Services. The terms set forth in this Section shall apply, *mutatis mutandis*, following the replacement of the bidder's proposal as aforesaid.

12. Proposal Validity

Bids shall remain valid for a period of six (6) months from the Final Submission Date (the "**Bid Validity Period**"), and may not be revoked or changed by the bidder during this period for any reason whatsoever.

13. Appendices

The following appendices are attached hereto:

Appendix A - Scope of Work

Appendix B - Bidder's Proposal Form

Appendix C - Agreement

Appendix D - Experience and Reference List

14. Verification

ISR shall have the right, at its sole and absolute discretion, to verify the recommendations and other documents provided by the Bidder, and to request from any of the Bidders additional details, approvals, recommendations and/or certificates.

15. Language of Bids

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

16. General Prerogatives of ISR

16.1. 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.

16.2. 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 Services or to enter into a contractual relationship with any of the bidders.

16.3. Any of Services provided, shall be on a non-exclusive basis and ISR at its sole discretion may at any time obtain Services from any of the bidders, and/or may acquire similar or identical Services from any third party.

16.4. The issuance by ISR of a Purchase Orders under the Agreement shall be following the receipt of the necessary budgetary approvals.

16.5. ISR, at its sole discretion, may decide not to select any of the submitted proposals or may decide to cancel the entire Tender at any time.

17. Tender Procedure – General

17.1. Amendment of Tender Documents

At any time prior to the 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).

17.2. Notification of the Winning Bidder

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

17.3. Request for clarifications and/or additional information

17.3.1. Any bidder may submit to ISR inquiries and/or requests for clarification and/or additional information regarding the Tender or relating to the Tender Documents, as specified herein below ("**Request for Clarification**").

17.3.2. Any inquires with regards to this Tender should be addressed, by filing out the Excel document found on ISR's website titled clarifications, to Mr. Netanel Kimchi, International Procurement Coordinator, no later **September 2nd, 2020**, by e-mail: netanelk2@rail.co.il. Bidders shall be responsible for verifying receipt by ISR of Requests for Clarification.

16.3.3. Should ISR decide, at its sole discretion, to respond to any requests for clarifications, such response shall be published in ISR's website and, as of the date of such publication, shall constitute an integral part of the Tender Documents (each, a "**Notice to Bidders**").

16.3.4. 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.

16.3.5. 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.

Appendix A

Tender n°41907

SCOPE OF WORK

General:

ISR is interested in meeting the European Regulations EC/798/2016, therefore ISR is interested in acquiring the consulting services of an accredited railway expert in order to assist, support and provide assurances in order to guarantee that the necessary level of safety has been achieved in ISR's projects.

The Consultant is required to perform all of his assessment according to the regulation 402/2013/EC Common Safety Methods for Risk Evaluation and Assessment (CSM RA) and applicable standards EN50126, EN50128 and EN50129 by means of Audit, On-Site witness and Assessment of the necessary lifecycle documentation specifying and reporting the activities carried out by the manufacturer for the Development, Safety Verification and Validation, Installation, Testing and Commissioning for the different projects and as part of the Israeli Ministry of Transportation's (MOT) process for permission to operate (PTO).

Required Services:

In order to enable ISR to receive a Permission to Operate (PTO) for the different projects that are to be assessed, the following is a list of the scope of services required by the consultant:

1. Assessment activities will be performed according to the applicable standards EN50126, EN50128 and EN50129.
2. Preparing an Assessment Strategy Plan for the projects which shall include:
General description of the system, scope of the assessment, general objectivities, activities and more as described in Table #1 below. The Assessment Strategy Plan shall cover all the relevant areas as requested by the project – ERW (Earth Works), CW (Civil Works), TRW (Track Works), SIG (Signalling), E&M ((Electromechanical – TVS (Tunnel Ventilation), FPW (Fire Protection Works), Emergency Systems and COMM (communication systems), ENE (Electrification), Rolling Stock (if needed) and Integration.
3. Assessing and approving the AAPP (Authority Approval Process Plan) and System Definition document.
4. The overall objectives for the assessment are Safety Management (Technical and Operational) and Quality Management Processes, which includes, but not limited to:
 - a. Review the safety management organization of the project.
 - b. Review the adequacy of the safety requirements for the design, manufacturing, installation, testing and commissioning.

- c. Assess the overall hazard identification process (PHA, ranking, mitigation, recording, monitoring and close out processes) and verify that risks have been reduced to As Low As Reasonably Practicable (ALARP);
- d. Review and assess the technical details including design documents, schematic drawings, reports, simulation results, calculations, test records, safety reports and witness testing and commissioning (including factory test, dynamic test – if relevant) to assure the safety protections undertaken for the critical subsystems and the associated interfaces are adequate;
- e. Assessment of System Safety Assurance and RAM Plan (RAMS);
- f. Evaluate the verification and validation process for handling design changes and configuration management;
- g. Evaluate and assessment of the overall T&C processes - test plans, test scenarios, test passing criteria, follow-up of test reports (FAT, SAT and SIT) and witnessing of selected equipment and system tests;
- h. Conclude the compliance with the requirements stipulated in EN 50126 “Railway applications - The specification and demonstration of Reliability, Availability, Maintainability and Safety (RAMS)”;
- i. Conclude the compliance of the safety integrity of safety related systems with EN 50128 and EN 50129 according to the Safety Integrity Level (SIL) – if relevant.
- j. Evaluate the process for managing and ensuring compliance with other relevant EN/ISR/local regulations, standards and specifications.
- k. Performing Independent Safety Audits to check that all the activities have been carried out according the Safety Plan.

5. The Safety assessment activities as described (but not limited) below:

| Scope | Details | Frequency |
|---|---|---------------------|
| Assessment Strategy Plan | General assessment and strategy plan for the overall project and up to the final PTO. | Project Start |
| Spot and Audits plan | Attending and witnessing major tests and commissioning activities; | According Spot Plan |
| Minutes of Meetings | Documentation of all the meetings with designers and experts; | Key meetings |
| List of Open Points | Maintaining and issuing regularly to the ISR a database of findings, comments, exchanged information and closeout evidence; | 3 months |
| List of Findings | | According Spot Plan |
| Assessment and follow-up of pertinent documents | Reviewing relevant safety management documents, validating evidence for closeout of findings and etc. | Quarterly |

| | | |
|--|--|---|
| Quarterly Report | Documentation of all activities carried out in the quarter (in conformance with the System Assurance or Safety Plan) – project status, risks, minutes of meetings, open points, database of findings, comments, exchanged information and etc. | Quarterly |
| Preliminary Report | Summary report of design phase The report shall include: <ul style="list-style-type: none"> • Safety Process and plan evaluation; • assessment of the Hazard Processes; • Standards fulfillment; | After design phase |
| Intermediate Report | Prior report before starting T&C phase. The report shall include: <ul style="list-style-type: none"> • Spot checks summary, • QA reports, • RAM and safety reports evaluation, • Findings and closing-up plan | After Construction Phase |
| Assessment of Technical and Operational SC | Including: <ul style="list-style-type: none"> • Quality Management Report • Safety management report • Technical safety report • Evidence documents | General - Design phase, validation phase, commissioning phase |
| Preliminary PTO report | Preliminary ISA report to be included as part of the final PTO stage and documents | After finishing specific area of assessment |
| Final Report | Final report after V&V (T&C) phase and with positive recommendation for PTO. | Prior PTO application |

6. Assessing Technical and Operational Safety Case following the principles of EN50126 and EN50129 in order to secure the PTO.
7. Proactively participate in integrated T&C processes for the project and advise different ISR departments (Operations, Maintenance, Rolling Stock, Electrification, Safety and Infrastructure) in planning for operational readiness.
8. Working closely with project managers, designers and safety experts as part of the Safety Assessment of the line.
9. The assessment will be performed development accompanying and according the project life-cycle (V-Model).
10. Managing Integration Assessment Processes for the overall project.

11. Participating in project meetings with ISR, Safety Experts Consultants, MOT and Monitoring companies, in presenting the PTO plans and maintaining confidence throughout the project phases.

General Assumptions:

- The Services shall be provided in Israel or in any other site, dependent on the particular circumstances.
- The Consultant is required to have the capabilities of providing his services in more than one site at the same time if necessary.
- Whereby a situation arises that there is additional work needed to be done which is not part of the scope of work of the project, the Consultant is responsible for contacting ISR in order to attain approval to perform the new unforeseen work. ISR stresses the fact that the consultant must receive ISR's approval before performing said services.
- The Consultant that shall provide the ISA services shall assess safety documents, provide and updated LOP (List of Open Points) until the LOP are closed or approved safety mitigation.
- ISR hereby clarifies that ISR reserves the right not to perform all or part of the work that appears in this procedure.
- The execution of the work is subject to the terms of the contract and the signed Purchase Order.



Appendix B
Tender n°41907
Bidder's Proposal Form
For ISA services

Date: _____

Israel Railways Ltd.
Procurement & Contracting Division
Yoseftal 1, Lod
7136801, Israel

Name of Bidder: _____

Address: _____

Telephone: _____

E-mail: _____

Re: Proposal for ISA services

1. Bidder declares that it has read, fully understands, and agrees to the terms and conditions included in the Tender documents of **Tender n.41907**, including the General Terms and Conditions, the Scope of Work 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 ISA services
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 Services, 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 Consultant for all its undertakings under the Agreement, including all of the related services, equipment, cost, fees duties and taxes as specified in the Agreement. Bidder shall not be entitled to any other payment, fee or compensation whatsoever from ISR.
5. It is hereby clarified that the sums stated herein **Appendix B** shall constitute the final price that will be paid to the Bidder for providing the Services, including all of the related taxes and expenses, flight fare, accommodation and lodging costs, as specified in **Section 777** of the Tender's General Terms and Conditions.

השתנה קוד שדה

6. Bidder hereby acknowledges and declares that the Proposed Price detailed below shall also include all taxes, fees, duties, licenses, costs or other payments that are to be paid in connection with the ISA Services and additional services, 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 MSRS and/or any Additional MSRS 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.

7. **Services Price (SP):**

The Bidders shall propose a Proposed Price for Services with regard to Project 431 ("**Project 431**") as specified below:

It is hereby clarified that the bidder must fill out the following graphs by taking his overall budget which is 100% and fill in the blanks in accordance with max % of worth per column.

Example: if the budget for the whole project is 100 Euro, then the price offered for earth works has to be anywhere between 30-40 percent of the overall budget, i.e between 30 - 40 Euro.

The total of all the works to be offered must equal to 100 % of the budget.

| | % Milestones | Earth Works | Track works | Civil works | Electro mechanic works (FPW, TVS, Emergency Systems) | Signaling | ENE |
|---|--------------|-------------|-------------|-------------|--|-----------|------|
| Budget % | | 30-40 | 20-30 | 20-30 | 10-20 | 5-10 | 5-10 |
| Initial Set-Up /establishment (Assessment of QM/QA Organization, Safety Plan, etc.) | 10 | | | | | | |
| Detailed Design Review (Suitability to international and national standards, assessment of plans and RAM/safety related issues, | 15 | | | | | | |

| | | | | | | | |
|--|----|--|--|--|--|--|--|
| risk assessment report, etc). | | | | | | | |
| Construction stage reviews (Correctness of execution plan as, on-site Spot Audits, assessment of material test report, etc.) | 25 | | | | | | |
| Verification & Validation (FAT/SAT, Evaluation of RAM and safety reports, assessment of validation report, etc..) | 10 | | | | | | |
| Interfaces (Interfaces between existing, new systems and local requirements – i.e. ISR, Police, Fire Brigade, etc..) | 10 | | | | | | |
| Preliminary ISA Approval (Preliminary PTO report after finishing assessment for the specific area of evaluation) | 10 | | | | | | |
| Final ISA Approval (Assessment of final reports, closing Open Points, Evaluation of Maintenance issues related to RAMS requirements, | 20 | Final approval for all the different areas | | | | | |

| | | | | | | | |
|---|-----|--|--|--|--|--|--|
| Final ISA report for project integration) | | | | | | | |
| Total | 100 | | | | | | |

The Bidders shall propose a Proposed Price for Services with regard to Project Eastern Line ("**Project Eastern Line**") as specified below:

| | % Milestones | Earth works | Track works | Civil works | Electro mechanic works (FPW, Emergency systems) | Signaling | ENE |
|---|--------------|-------------|-------------|-------------|---|-----------|--------|
| Budget % | | 35-45 | 15-25 | 5-10 | 5-10 | 10-20 | 10- 15 |
| Initial Set-Up /establishment (Assessment of QM/QA Organization, Safety Plan, etc.) | 10 | | | | | | |
| Detailed Design Review (Suitability to international and national standards, assessment of plans and RAM/safety related issues, risk assessment report, etc). | 15 | | | | | | |
| Construction stage reviews (Correctness of execution plan as, on-site Spot Audits, assessment of material test report, etc.) | 25 | | | | | | |
| Verification & Validation (FAT/SAT, Evaluation of RAM and safety reports, | 10 | | | | | | |

| | | | | | | | |
|--|-----|--|--|--|--|--|--|
| assessment of validation report, etc..) | | | | | | | |
| Interfaces (Interfaces between existing, new systems and local requirements – i.e. ISR, Police, Fire Brigade, etc..) | 10 | | | | | | |
| Preliminary ISA Approval (Preliminary PTO report after finishing assessment for the specific area of evaluation) | 10 | | | | | | |
| Final ISA Approval (Assessment of final reports, closing Open Points, Evaluation of Maintenance issues related to RAMS requirements, Final ISA report for project integration) | 20 | Final approval for all the different areas | | | | | |
| Total | 100 | | | | | | |

The Bidders shall propose a Proposed Price for Services with regard to Project Ayalon ("Project Ayalon 4th Track") as specified below:

| | % Milestones | Track works | Earth works | Civil works | Electro Mechanic | Signaling | ENE |
|--|--------------|-------------|-------------|-------------|------------------|-----------|-----|
|--|--------------|-------------|-------------|-------------|------------------|-----------|-----|

| Budget % | | 20-25 | 15-20 | 20-25 | works (FPW, Emergency systems) | 5-10 | 15-20 | 15-20 |
|---|----|-------|-------|-------|--------------------------------|------|-------|-------|
| Initial Set-Up /establishment (Assessment of QM/QA Organization, Safety Plan, etc.) | 10 | | | | | | | |
| Detailed Design Review (Suitability to international and national standards, assessment of plans and RAM/safety related issues, risk assessment report, etc.) | 15 | | | | | | | |
| Construction stage reviews (Correctness of execution plan as, on-site Spot Audits, assessment of material test report, etc.) | 25 | | | | | | | |
| Verification & Validation (FAT/SAT, Evaluation of RAM and safety reports, assessment of validation report, etc.) | 10 | | | | | | | |
| Interfaces (Interfaces between existing, new systems and local requirements – i.e. ISR, Police, Fire Brigade, etc.) | 10 | | | | | | | |

| | | | | | | | |
|--|-----|--|--|--|--|--|--|
| Preliminary ISA Approval (Preliminary PTO report after finishing assessment for the specific area of evaluation) | 10 | | | | | | |
| Final ISA Approval (Assessment of final reports, closing Open Points, Evaluation of Maintenance issues related to RAMS requirements, Final ISA report) | 20 | Final approval for all the different areas | | | | | |
| Total | 100 | | | | | | |

8. **Optional Services (OS):**

The prices for Optional Services, including inter alia ISA services and shall be on a daily basic rate according to the following table:

| | Duration of Task Order | Tariff of <u>Project Manager</u> services (Fee) |
|---|--------------------------------|--|
| A1 | 10 working days or less | _____ € (in words) _____ EURO. |
| A2 | between 11 and 30 working days | _____ € (in words) _____ EURO. |
| A3 | 31 working days or more | _____ € (in words) _____ EURO. |
| | Duration of Task Order | Tariff of <u>Senior Engineer</u> services (Fee) |
| B1 | 10 working days or less | _____ € (in words) _____ EURO |
| B2 | between 11 and 30 working days | _____ € (in words) _____ EUR |
| B3 | 31 working days or more | _____ € (in words) _____ EUR |
| | Duration of Task Order | Tariff of <u>Junior Engineer</u> services (Fee) |
| C1 | 10 working days or less | _____ € (in words) _____ EUR |
| C2 | between 11 and 30 working days | _____ € (in words) _____ EUR |
| C3 | 31 working days or more | _____ € (in words) _____ EUR |
| TP = Total Price of A1+A2+A3+B1+B2+B3+C1+C2+C3 = | | _____ € (in words) |

| | | |
|--|--|--------------|
| | | _____ |
| | | EURO. |

ing day shall consist eight (8) working hours.

DBL - Daily Board and Lodging in Israel (including telephone/mobile and transportation expenses): _____ € (in word)
EURO.

Be advised that the DBL shall not exceed - under any circumstances - 190 € Euro. ISR shall amend Bidder's proposal that exceeds 190 € so that it shall be equal to 190 € Euro.

8.1. We hereby declare that we fully understand that the pricing chart above (and all of its components) shall not be construed under any circumstances as an issued assignment, milestone or any obligation of ISR to issue any Task Orders. Moreover, we acknowledge that the agreement to be signed between the bidder and ISR shall be based solely on the daily rates - with no indication of the Evaluation Coefficient.

9. **Duration of the Task in case of Optional Services:**

9.1. The duration of each Task Order shall be determined by the parties on a per assignment basis or as otherwise agreed between the parties.

9.2. For the avoidance of a doubt, the task order duration shall be determined only by the number of working-days.

9.3. The bidder shall be requested to provide consulting-service for less than one working-day. In this event, the price for this scope of work will be calculated as a derivative price of one working day within a task order of 11-30 working-days in accordance with the category of the relevant Consultant.

9.4. In the event that Optional Services shall prolong to Long Term Task Orders ("Long term Task Order" as defined hereunder), the price for the Task Order shall be negotiated between the Parties on a per Task Order basis, based on the Prices set forth above in this Appendix.

9.5. For the purpose of this paragraph, "Long term Task Order" shall have the meaning of a task order which shall be carried out throughout 50 working days or more.

10. **Linkage Mechanism**

10.1. The Services Price (SP) as specified in Section 7 above shall be fixed and shall not be linked to any price increase mechanism.

10.2. The Prices for Optional Services (OP) as specified in Section 8 above 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.

10.3. As from two years from the Final Submission Date the Prices, 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**").

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

10.5. The price adjustments set forth herein shall be performed once a year only from the second anniversary of the Final Submission Date.

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

11. 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 n° 41907

THE AGREEMENT

APPENDIX D1

Proof of Compliance with Pre-Requisite 2.1 - Experience and Reference List

In accordance with Section 2.1 of the Tender General Terms and Conditions:

1. The bidder has provided Services, commencing from 2014 and onwards, for at least two projects in the field of heavy railways, with an accumulative scope of no less than two hundred (200) million Euro.

PROJECT NO. 1

- A. Project name for which the consulting services were rendered and place of performance: _____
- B. Customer's name and address: _____
- C. Services commencement date: _____
- D. Services completion date: _____
- E. Project Description: _____
- F. Project scope (financially): _____

PROJECT NO. 2

- A. Project name for which the consulting services were rendered and place of performance: _____
- B. Customer's name and address: _____
- C. Services commencement date: _____
- D. Services completion date: _____
- E. Project Description: _____
- F. Project scope (financially): _____

* **References:** Bidder should submit references from previous customers.

** **Company profile:** Bidder shall submit a Company profile and related documents.

*** **C.V.:** Bidder should submit the C.V. of the proposed team member for the project

Signature of Bidder _____

By: _____

Title: _____