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*Procurement & Contracting Division*

**Tender N. 41808**

**For the Design, Manufacture and Supply of**

**Turnouts Carrier Tilting Wagons ("TCTW") for Israel Railways Ltd. ("Tender")**

**General Terms and Conditions**

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

The design, manufacture and supply of Turnouts Carrier Tilting Wagons ("TCTW"), all in accordance with and subject to the terms specified in these General Terms and Conditions and the accompanying Tender Documents.

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

- 1.1. The bidder must be the designer, manufacturer and supplier of the proposed TCTW.
- 1.2. The bidder has designed, manufactured and supplied, commencing from 2014 and up to the final submission date, at least six (6) Turnouts Carrier Tilting Wagon.

2. **Proof of Compliance with the Pre-requisites:**

- 2.1. Bidder shall prove full compliance with the Pre-requisites specified in Section 1 above, by submitting to ISR all the details, documents and confirmations required under the provisions of the Pre-requisites which shall include, inter alia, the following:
  - 2.1.1. Bidder shall prove its full compliance with the Pre-requisite set forth in Section 1.1, by submitting a declaration certifying that it is the designer, manufacturer and supplier of the proposed TCTW.
  - 2.1.2. Bidder shall prove its full compliance with the Pre-requisite set forth in Section 1.2 by submitting a signed and completed Experience and Reference List, in the form attached hereto as Appendix D, evidencing that Bidder has designed, manufactured and supplied, commencing from 2014 and up to the final submission date, at least six (6) Turnouts Carrier Tilting Wagon.
- 2.2. In addition, Bidder shall submit additional proof such as reports, clients reference letters and other relevant documentation.
- 2.3. Notwithstanding the aforesaid, ISR reserves its right, at its sole discretion, not to disqualify proposals which do not contain all the documents and certificates necessary to prove its compliance with the Pre-requisites. ISR shall have the right, at its sole discretion, to request from any of the Bidders, details and/or approvals and/or recommendations

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

- 2.4. Bidder shall undertake to maintain its compliance with the Pre-requisites specified in Section 1 above at all times, up to and/or including the Proposal Validity Period as set forth in Section 16 below.

### 3. **Technical Requirements**

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

### 4. **Bid Guarantee**

- 4.1. ISR shall require Bidders that meet the requirements specified in Section 1 above to submit ISR a bid guarantee within thirty (30) days following the receipt of such written request from ISR, in order to secure the due, timely and complete performance of each Bidder's obligations under its proposal, including the validity of its proposal (the "**Bid Guarantee**").
- 4.2. The Bid Guarantee must be an unconditional and irrevocable first class bank guarantee to the order of Israel Railways Ltd., in the amount of one hundred and nineteen thousand Euros (119,000 €), in Euro currency only, valid at least up to and including six (6) months after the submission date.
- 4.3. It is hereby clarified that in any event that a Bidder is requested to submit a Bid Guarantee, and fails to submit such Bid Guarantee as specified in Sections 4.1 and 4.2 above, the Bidder shall not be entitled to further participate in the Tender Process.
- 4.4. In any event that a Bidder is requested to extend the Proposal Validity Period (as defined in Section 16), the Bidder may be required to extend the period of the Bid Guarantee for the same duration of the extension of the Proposal Validity Period. ISR shall have the right, at its sole discretion, to disqualify a proposal submitted by a Bidder who fails to extend the period of the Bid Guarantee as required herein.
- 4.5. ISR shall be entitled, at its sole and absolute discretion, to exercise the Bid Guarantee or any part thereof, after the Bidder was given the opportunity to present its arguments, in case, inter alia, one of the following occurs: (1) during the Tender procedure, the Bidder acted in a misleading manner or with lack of good faith; (2) the Bidder provided misleading information or omitted material information; (3) the Bidder retracted its proposal to the Tender after the Final Submission Date; (4) after being selected as the Winning Bidder in the Tender, the Bidder did not follow the instructions of the Tender, which are a condition for ISR's engagement of the Winning Bidder. The Bid Guarantee shall also serve as agreed compensation without proof of damage as defined in Section 15 of the Contracts (Remedies for Breach of Contract) Law, 1970.
- 4.6. Commencing from the Effective Date as defined in the Agreement, the Bid Guarantee furnished by the Winning Bidder for the purposes of the Tender shall secure the performance of all of the Winning Bidder's obligations under the Agreement, until replacement thereof by the Performance and Warranty Guarantee, as defined in the Agreement. Upon the receipt of the notification of being selected as the Winning Bidder,

the Winning Bidder shall extend the validity of the Bid Guarantee submitted by it to ensure the continuing effect of the Bid Guarantee, until replacement thereof by the Performance and Warranty Guarantee, as defined in the Agreement.

## 5. **Governing Agreement**

5.1. The design, manufacture and supply of the TCTW, including but not limited to, the price, terms of payment, scope of liability, responsibility and all other general and legal terms for the engagement with the Winning Bidder (the "**Supplier**"), shall be governed by the terms and conditions of the Agreement (**Appendix C**). The Agreement and the annexes attached thereto constitute an inseparable part of this Tender.

## 6. **Purchase Order**

6.1. ISR intends to issue a Purchase Order for three (3) TCTW (the "**Initial Purchase Order**") within two (2) months from the Effective Date of the Agreement (the "**Effective Date**") subject to the terms and conditions set forth in the Agreement.

6.2. Additionally, during the Agreement Period and/or the Optional Period, ISR, at its sole discretion, shall have the option to purchase from the Supplier at least one (1) additional TCTW (the "**Optional TCTW**"). The relevant terms and conditions detailed in this Tender, including its Appendices, shall apply, mutatis mutandis, to the Optional TCTW.

## 7. **Delivery Terms**

7.1. The terms of supply and delivery of the TCTW shall be as set forth in the Agreement.

## 8. **Delivery Time**

8.1. The Delivery Time of the TCTW shall be as set forth in the Agreement.

## 9. **Spare Parts**

9.1. The Bidder shall undertake in its proposal that in the event of being elected as the Winning Bidder, it will undertake that during a period of at least twenty (20) years commencing on the date of completion of the Warranty Period for the TCTW and Optional TCTW (as detailed in the Agreement), it will supply ISR with all spare parts and tools necessary to operate, maintain and repair the TCTW and Optional TCTW (the "**Spare Parts**"), when needed. Following such twenty (20) years, if a spare part is no longer available on the market, the Supplier will offer ISR an adequate substitute at a comparable price.

9.2. The Bidder shall include, as part of its proposal, a list of all necessary and recommended Spare Parts and tools and their prices, in the form attached hereto as **Appendix E** (the "**Spare Parts List and Prices**"). The Spare Parts List and Prices shall be in English or Hebrew and shall quote the delivery time, description, original manufacturer's name, part number of original manufacturer, annually recommended spare parts quantity and the prices DAP (ISR's Site) for each Spare Part and tools, which shall remain fixed for a period of two (2) years from the Final Submission Date.

9.3. As from the 2nd anniversary of the Final Submission Date, the Proposed Prices for the Spare Parts shall be adjusted once a year to the European Consumer Price Index (HICP E27 - Overall index, Monthly Index, (2005=100), as published on the Eurostat website: <http://ec.europa.eu/eurostat/tgm/table.do?tab=table&language=en&pcode=teicp000&tableSelection=1&plugin=1> ("**HICP**").

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

## 10. **Warranty**

10.1. The TCTW shall be fully warranted during the Warranty Period ("**Warranty Period**") by the Supplier as set forth in the Agreement.

## 11. **Price Proposal**

11.1. The Bidder shall provide the proposed price for the supply of the TCTW (the "**Proposed Price for the TCTW**").

11.2. The Bidder shall provide the proposed price for the supply of Optional TCTW (the "**Proposed Price for the Optional TCTW**")

11.3. The proposed price for the design, manufacture and supply of TCTW and the Optional TCTW shall be the price in the Bidder's Proposal Form, attached hereto as **Appendix B** in accordance with the following instructions.

11.4. The Prices shall be quoted in Euro currency only and shall be inclusive of all of the services and equipment specified herein, including, the Warranty, one Service Support Visit per year during the Warranty Period, training and all other works and services detailed in the Agreement.

11.5. The **Proposed Price for the TCTW** shall be fixed and shall not be linked to any price increase mechanism. The Proposed Price for the TCTW is the final, complete and inclusive price that will be paid to Supplier for the TCTW and all drawings and documentation related thereto and all costs related to the design, manufacture, supply, training, Warranty, Service Support Visits and the accompanying services to be provided by Supplier during the Warranty Period and/or the term of the Agreement. Supplier shall not be entitled to any other payment, fee or compensation whatsoever from ISR.

11.6. The **Proposed Price for the Optional TCTW** shall be fixed and shall not be linked to any price increase mechanism for a period of two (2) years from the Final Submission Date. As from the 2nd anniversary of the Final Submission Date, Proposed Price for the Optional TCTW shall be linked to the European Consumer Price Index all as specified in **Appendix B**.

11.7. The Prices include any sum which the Israeli Tax Authorities require to be withheld at source. The amounts required by the applicable law to be withheld at source by the Israeli Tax Authorities shall be deducted from all sums set and shall be paid to the Israeli Tax Authorities.

- 11.8. The Prices shall also include all taxes, fees, duties, licenses, costs or other payments that are to be paid in connection with the exportation, supply and delivery of the TCTW, and the Optional TCTW 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 השחית" ), cleaning of the containers, stuffing and unloading of the containers, cam locks for discharging the TCTW, and the Optional TCTW at port, supervision while discharging at port, discharging terms at port, etc. Notwithstanding the above, Israeli Value Added Tax, if applicable, shall be borne by ISR. For the sake of clarity, the Prices shall include any sum which the Israeli Tax Authorities require to be withheld at source.
- 11.9. The Proposed Price for the TCTW, and the Optional TCTW shall include both a Price per Unit and a Total Price. In the event of a contradiction between the Price per Unit and the Total Price, the Price per Unit shall prevail, and ISR may amend the Total Price in order to correctly reflect the Price per Unit quoted by the Bidder.
- 11.10. Each Bidder shall solely bear all costs associated with the preparation and submission of its bid. This shall include, without limitation, any and all expenses and losses, which may be incurred by Bidder, consultations with professionals, conducting investigations and inquiries of any kind, preparation of surveys and documents and the authentication and translation thereof and any other aspects in connection with the bid. ISR will in no case be responsible or liable for any of the above costs, nor shall it be required, under any circumstances, to reimburse any such costs to any Bidder.

## 12. Terms of Payment

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

## 13. Evaluation process and selection of Winning Proposal

- 13.1. The evaluation of the bids submitted by Bidders shall be conducted by ISR in accordance with the following process:
- 13.1.1. **Stage A – Preliminary Evaluation –**
- 13.1.1.1. **Stage A1** – Pre-requisites: Bidders will be evaluated in accordance with Section 1 above.
- 13.1.1.2. **Stage A2** - Bid Guarantee: Bidders who satisfy Stage A1 above shall be required to submit a Bid Guarantee, as specified in Section 4 above.
- 13.1.1.3. **Stage A3** - Technical Evaluation – in parallel, the Technical Proposals shall be evaluated in accordance with the Technical Specifications.
- 13.1.2. **Stage B – Commercial Evaluation** – ISR shall open the Commercial Proposals of Bidders who satisfied Stage A above.
- 13.1.3. **Stage C - Factory Evaluation** - ISR's technical staff shall conduct a visit to the premises of the Bidder whose proposal has the lowest total evaluated price and/or Bidder's customers in order to evaluate such Bidder's ability to comply with its undertakings and warranties in this Tender including the Agreement. Such Bidder shall make its best reasonable efforts to accommodate such visit as soon as requested by ISR.

ISR reserves the right, under its sole discretion, to reject and/or disqualify a proposal in the event the Bidder does not accommodate such visit at all and/or in the time frame required by ISR and/or such visit raises doubts with regards to the accuracy of Bidder's warranties in the Tender and/or the Agreement and/or its ability to comply with its undertakings under this Tender including the Technical Specifications and the Agreement

13.2. The Winning Bidder shall be the Bidder whose proposal fully complies and evidences compliance with the Pre-requisites as per Section 1 above, the Technical Specifications (**Appendix A**), Factory Evaluation (specified in section 13.1.3 above) and all of the other requirements of the Tender and has the lowest total evaluated price ("**TEP**") as specified in Section 5 of the Bidder's Proposal Form (**Appendix B**).

13.3. 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.

#### 14. **Submission of Proposals**

14.1. All proposals must be submitted no later than **June 17, 2019 by 13:00 (Israel time)** ("**Final Submission Date**") in three (3) separate envelopes, as specified below and these shall all be inserted into one main envelope, which shall read "Tender N. 41808" (hereinafter: the "**Main Envelope**") at the address set forth below. ISR shall be entitled to postpone the deadline at its sole discretion.

14.2. The proposal shall be submitted by a single Bidder. Proposals submitted by more than one Bidder will be disqualified.

14.3. The proposal is to be submitted in two (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
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14.4. 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.

14.5. An envelope (1) which shall read "**Commercial Proposal -Tender 41808**" shall be inserted in the Main Envelope and shall include the following:

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

14.5.2. A signed and completed Spare Parts List Form (**Appendix E**).

14.6. A separate envelope (2) which shall read "**Pre-requisites - Tender 41808**" shall be inserted in the Main Envelope and shall include the following:

14.6.1. A signature on the last page of the Agreement (**Appendix C**), including the Bidder's relevant information in the heading thereof (excluding the date) and including the Bank Account Form, attached to the Agreement as **Annex C** (only the winning Bidder is required to complete part B of the Bank Account Form).

14.6.2. A signed and completed Experience and Reference List, in the form attached hereto as **Appendix D**.

14.7. A separate envelope (3) which shall read "**Technical Proposal - Tender 41808**" shall be inserted in the Main Envelope and shall include the following technical information:

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

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

14.7.3. Two (2) sets of instructions regarding the packing, loading transporting, unloading and storage instructions of the TCTW in English or in Hebrew.

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

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

## 15. **General**

The following Appendices are attached hereto:

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

## 16. **Proposal Validity**

16.1. All submitted proposals must be valid until at least six (6) months from the Final Submission Date as set forth above (the "**Proposal Validity Period**"), and may not be revoked or changed by the Bidder during this period for any reason whatsoever. In the event that ISR shall not enter into a contractual relationship with the Winning Bidder, for any reason whatsoever, and/or the Agreement with the Winning Bidder will be cancelled, ISR shall be entitled to elect, as a Winning Proposal, the proposal which achieved the next lowest TEP. The terms set forth in this section shall apply, mutatis mutandis, following the replacement of the Bidder's Proposal as aforesaid.

## 17. **Verification**

17.1. ISR shall have the right, at its sole and absolute discretion, to verify the recommendations and other documents provided by the Bidder, and to request from any of the Bidders

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

## **18. Negotiations**

- 18.1. ISR reserves the right, at its sole discretion, to conduct negotiations with any of the Bidders in this Tender that it finds suitable, with respect to their Commercial and/or Technical Proposal, or not to conduct negotiations at all.
- 18.2. Without derogating from the above, ISR shall have the right to instruct all Bidders whose Commercial Proposals were evaluated, to submit an additional improved Commercial Proposal in the event that all bids received are less favorable to ISR than the ISR estimation and/or to cancel the Tender. Bidders hereby forfeit any claim in the event that ISR shall decide to act in such manner.

## **19. Language of Bids**

- 19.1. 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.

## **20. Confidentiality and Proprietary Rights**

- 20.1. By participating in the Tender Process, each purchaser of the Tender Documents and each Bidder are deemed to have agreed to keep in strict confidence, and not to disclose and not to make any use of any information or data, or any form or media, partial or complete, provided to them by ISR on its behalf or made known to them otherwise as a result of or in connection with the Tender; except that each Bidder may use such information or data solely for the purpose of preparing its bid. It is hereby clarified that this Section 20 shall not apply to documents and/or information published by ISR on its website.
- 20.2. By submitting a Bid, each Bidder (including its members) shall be deemed to represent and warrant to ISR that (i) it is not bound by any contractual or statutory obligations which would preclude the Bidder from providing the data and information contained in the Bid or any portion thereof, (ii) it has the right to make all disclosures that are made in the Bid; (iii) the data and information contained in the Bid do not include any confidential information, trade secret or other proprietary information of the Bidder and/or to any third party (except as and to the extent that the Bidder may otherwise clearly indicate in writing) that ISR is prevented from using it.
- 20.3. All rights and titles in and to any and all drawings, sketches, and other technical documents and information provided by ISR or on its behalf to the Bidder as well as to all of the Tender Documents and the contents thereof, shall be deemed to be the sole and exclusive proprietary of ISR, and/or their use by third parties allowed by ISR.



## **21. General Prerogatives of ISR**

- 21.1. 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.
- 21.2. 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 TCTW or to enter into a contractual relationship with any of the Bidders.
- 21.3. Any of the TCTW acquired, shall be on a non-exclusive basis and ISR at its sole discretion may at any time purchase a TCTW from any of the Bidders, and/or may acquire similar or identical TCTW from any third party.
- 21.4. The issuance by ISR of Purchase Orders under the Agreement shall be following the receipt of the necessary budgetary approvals.
- 21.5. 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.
- 21.6. ISR reserves the right to reject the proposal of a Bidder which does not have the financial strength required for the performance of the Agreement or whose commercial Proposal is significantly lower than ISR's estimation.
- 21.7. In addition to any other event which entitles ISR by law, to cancel the Tender, ISR reserves the right, at ISR's sole discretion, to cancel this Tender in the following events:
  - 21.7.1. If only one of the Bids is found suitable, according to the Prerequisites and/or other specification requirements according to this Tender Documents;
  - 21.7.2. If ISR concludes that there was a flaw in the Tender process and/or in the evaluation of the Bids;
  - 21.7.3. If ISR has found that a critical mistake has been made in the Technical Specifications, inter alia, by giving false data, missing data or incomplete data;
  - 21.7.4. If the circumstances and/or ISR's requirements have been significantly changed, to such extent which requires the cancellation of the Tender;

## **22. Tender Procedure – General**

### **22.1. Download of the Tender Documents**

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

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

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

## 22.2. Amendment of Tender Documents

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

## 22.3. Notification of the Winning Bidder

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

## 22.4. Request for clarifications and/or additional information

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

22.4.2. A Request for Clarification shall be titled "Request for Clarification" and shall clearly specify to which Tender Documents (volume, attachment, section) it refers.

22.4.3. Bidders shall submit Requests for Clarification with respect to any errors, ambiguities, inconsistencies, omissions, erroneous, unclear or imperfect provisions ("**Errors**") in the Tender Documents. It is clarified that by submitting its Bid, Bidder irrevocably and unconditionally waives any claim, demand or legal or administrative proceeding alleging or claiming that the selection process in the Tender has been influenced or biased by an Error and/or that Bidder has suffered any damages as a result of such Error.

22.4.4. Any Request for Clarifications should be addressed **in writing only** to Ms. Mirela Halfim, International Procurement Coordinator, no later than **May 7, 2019**, by e-mail: mirelah@rail.co.il. Bidders shall be responsible for verifying receipt by ISR of Requests for Clarification.

## 23. Notices to Bidders

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

23.2. Bidders shall be solely responsible to check ISR's website on a regular basis in order to follow publications by ISR. Any Notice to Bidders published at ISR's website in accordance with Section 23.1 shall be binding upon each Bidder, whether or not Bidder

is aware of such Notice to Bidders, and Bidders shall not have any claim in connection therewith.

23.3. It is hereby clarified that only information provided by ISR to the Bidders by the way of a Notice to Bidders in accordance with Section 23.1 shall be binding upon ISR (unless expressly specified otherwise therein), and ISR shall not be bound by any oral or written response or information communicated to Bidders in any other way, including any response or information conveyed during any meeting held with the Bidders (if held).

24. **Meetings, Conferences or Discussions**

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

**Appendix A**

**Tender No. 41808**

**Technical Specifications**

**Appendix B**  
**Tender No. 41808**

**Bidder's Proposal Form**

Date: \_\_\_\_\_

**Re: Proposal for the Design, Manufacture and Supply of**  
**Turnouts Carrier Tilting Wagon ("TCTW") for Israel Railways Ltd. ("Tender")**

Bidder declares that it has read, fully understands, and agrees to the terms and conditions included in the Tender Documents of Tender No. 41808, including the General Terms and Conditions, the Technical Specifications and any Appendices thereof (collectively the "**Tender Documents**"), and hereby submits to ISR (as that and all other capitalized terms not otherwise defined in this Appendix are defined in the Tender Documents) its proposal for the design, manufacture and supply of the TCTW. All of the terms and conditions included in the Tender Documents shall be considered integral parts of this proposal.

The relevant terms and conditions detailed in this Tender, including its Appendices, shall apply, mutatis mutandis, to the Optional TCTW.

1. Any price stipulated herein shall be quoted in Euro (€) currency only. Bidder hereby acknowledges and declares that all of the sums stated herein (**Appendix B**) shall constitute the final price that will be paid to the Bidder for the supply of the TCTW, including all of the related training services, Warranty, Services Support Visits and Spare Parts obligations, equipment, cost, fees duties and taxes as specified in the Agreement.
2. The Prices shall also include all taxes, fees, duties, licenses, costs or other payments that are to be paid in connection with the exportation, supply and delivery of the TCTW, 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 TCTW at port, supervision while discharging at port, discharging terms at port, etc. Notwithstanding the above, Israeli Value Added Tax, if applicable, shall be borne by ISR. For the sake of clarity, the Prices shall include any sum which the Israeli Tax Authorities require to be withheld at source.
3. The Proposed Price for the Initial Purchase Order of three (3) TCTW, including training and two (2) years of Warranty, including Spare Parts for Preventive Maintenance and Calibration (as described in the Agreement) and two (2) Support Service Visits during the Warranty Period, is as follows:

Item	Price per Unit (in Euros)	Quantity	Total Price (Price per Unit multiplied by Quantity)
TCTW	_____ €	3	
<b>Total Evaluated Price for TCTW Initial Purchase Order ("IPO")</b>			_____ € <b>(in words: _____ Euros</b>

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

4. The Proposed Price for the Optional Purchase Order of TCTW, including two (2) years of warranty including Spare Parts for Preventive Maintenance and Calibration (as described in the Agreement) and two (2) Support Service Visits during the Warranty Period, is as follows:

Item	Price per Unit (in Euros)	Quantity (for evaluation purposes only)	Total Price (Price per Unit multiplied by Quantity)
TCTW		1	
<b>Total Evaluated Price For Optional TCTW Optional Purchase Order/(s) ("OPO")</b>			_____ € <b>(in words: _____ Euros</b>

5. The proposed price for Optional Annual Support ("OAP"), as described in the Agreement, is as follows:

<b>Optional Annual Support (price per year)</b>
A sum of _____ € (in words) _____ _____ EURO

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

$$\text{TEP} = \text{IPO} + (0.8 \times \text{OPO}) + (0.7 \times \text{OAS})$$

7. **Linkage Mechanism**

- 7.1. The Proposed Price for the Optional TCTW as defined in the Tender Documents and the prices of the Spare Parts shall be fixed and shall not be linked to any price increase mechanism for a period of two year commencing on the Final Submission Date.

- 7.2. As from two years from the Final Submission Date the Proposed Price for the Optional TCTW, the Spare Parts shall be linked to the European Consumer Price Index (HICP E25 - Overall index, Monthly Index, (2005=100) as published at Eurostat website <http://ec.europa.eu/eurostat/tgm/table.do?tab=table&language=en&pcode=teicp000&tableSelection=1&plugin=1> ("**HICP**").
- 7.3. The basic index for the HICP shall be the last known index on the Final Submission Date.
- 7.4. The price adjustments set forth herein shall be performed once a year only from the second anniversary of the Final Submission Date.
8. Bidder understands that payment by ISR to the Supplier for the TCTW shall be made by way of bank transfer in the manner and terms set forth in the Agreement.
9. Bidder hereby permits representatives of ISR to inspect its facilities, at any time.

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Signature of Bidder

By: (print or type name):

Title:

**Appendix C**

**Tender No. 41808**

**Attached Separately**



**Appendix D**  
**Tender No. 41808**

Date: \_\_\_\_\_

**Experience and Reference List of the Bidder**

1. Bidder further confirms that in accordance with Section 1.2 of the Tender's General Terms and Conditions, The Bidder has designed, manufactured and supplied, commencing from 2014 and up to the final submission date, at least six (6) Turnouts Carrier Tilting Wagon.

Name of company for which the TCTW was designed, manufactured and supplied	Date the TCTW was designed, manufactured and supplied	Quantity of TCTW that was designed, manufactured and supplied	Name of Contact Person and Company	Tel. and mail of Contact Person
1.				
2.				
3.				
4.				

Signature of Bidder: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

(\* Additional pages may be added

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

**Appendix E**  
**Tender No. 41808**

**Spare Parts and Maintenance Tools List**

**1. SPARE PARTS LIST AND PRICES**

The Bidder shall submit a list of all necessary and recommended Spare Parts and tools required for operation and maintenance of the TCTW.

<b>Spare Part</b>	<b>Original manufacturer's name and part number</b>	<b>Price (DAP) at Site (in EURO)</b>	<b>Delivery Time</b>	<b>Estimated annual usage</b>

(\* Additional pages may be added

The Spare Parts List shall be in English or Hebrew and shall quote the delivery time, description, original manufacturer's name, part number of original manufacturer, estimated annual usage and the prices at ISR's Site (DAP) for each Spare Part.

Signature of Bidder: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_