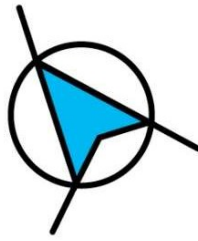


E-Tender (Online) No. 20/29

A Framework Tender, to Locate, Examine and Deliver Technological Solutions for Transporting Cargo via UAV

Terms of the Tender Booklet



1. Introduction

1.1 General

1.1. Ayalon Highways Co. Ltd. (hereinafter: "**The Company**" or "**Ayalon Highways**") hereby invites receipt of proposals for entering into a framework agreement to locate, examine and deliver technological solutions for transporting cargo via UAV (hereinafter: "the System"), all as per the specifications contained in the tender documents.

1.2 Background

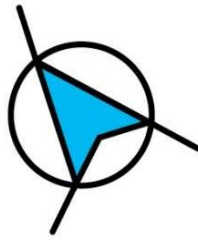
1.2.1 Ayalon Highways is a government company charged with promoting the planning and execution of transportation projects and serves as the operational arm of the Ministry of Transport.

1.2.2 In June 2016, the Company became a government company wholly owned by the State of Israel. Consequently, the areas of the Company's activities have been recently defined and expanded substantially, all as part of the decision reached by the Socio-Economic Cabinet on March 9, 2017 (Decision No. SE/62).

1.2.3 In accordance with the decision mentioned above, the Company is intended to serve as an arm of the Government via the Ministry of Transport in the execution of tasks and engage, *inter alia*, in the planning, promotion, management and execution of urban and metropolitan transportation projects, including those promoting public transportation and the reduction of private vehicle use, throughout the country, **as well as managing, initiating and developing technologically innovative transportation projects, and adapting the infrastructures to developing technologies in vehicles and in roadway facilities.**

1.2.4 As it is well-known, recent months have seen the outbreak of the Corona pandemic, infecting hundreds of thousands of people across the globe, subsequently leading the Health Ministry to issue a series of public guidelines, as well as implement Emergency Regulations (The Novel Coronavirus - Limited Activity), 5780-2020 that *inter alia*, have substantially reduced going out into the public sphere, and imposed restrictions on the use of several means of transport.

1.2.5 Against this backdrop, and as part of the ongoing efforts to cope with this situation, the Company is interested, in consultation with The Ministry of Transport and Road Safety, the Civil Aviation Authority of Israel (hereinafter: "CAAI"), and the Israel Innovation Authority,



to locate, examine and contract with suppliers capable of delivering a technological response for transporting cargo via UAV that will serve as a support vehicle for the aerial transport of various cargo, pursuant to the conditions, terms and stipulations detailed herein.

1.2.6 Without constituting an undertaking and/or making any representation on behalf of the Company whatsoever, it is the Company's intent to support the winning Bidders of the tender, by providing assistance in the removal of barriers in permit acquisition procedures as required for implementation of the proposed solution and/or in the delivery of the unique vehicles required for providing said services (solely for civilian needs).

1.2.7 **It is further clarified that in light of the urgent need concerning the delivery of the technological solution and the services that are the subject of the tender, the Bidders may contact the Company for purposes of offering technological solutions ready for immediate implementation at any time up to the deadline for the submission of bids.** Contact may be made as noted above as per the details listed in Clause 10 below.

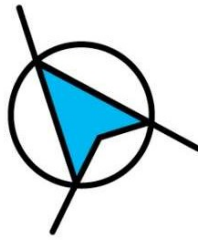
1.2.8 The Company will contract with the winning Bidders of the tender in a framework service agreement as stated in the text attached to the tender documents and marked as Document "B", all in accordance with the terms, conditions and stipulations of the tender.

1.3 **The Objective of the Tender**

It is the objective of this tender to examine and enable implementation to the extent possible of innovative technological solutions for aerial cargo transport via UAV.

The Bidders in the tender will be required to comply with the threshold conditions set forth in the tender, as well as obtain certification of the professional committee (as defined herein), and subsequently, insofar as they are declared as winning bids in the tender, in accordance with the provisions of the tender, they will comprise the repository of framework suppliers, from which Ayalon Highways will select, from time to time, and pursuant to the specifications herein, a supplier for implementing a fixed and defined task that will include aerial cargo transport services via UAV.

For the record, it is hereby clarified that the winning Bidders in this tender will be required to comply in full with all of the legally mandated requirements, as well as hold all the necessary certifications, permits and



licenses to provide the services that are the subject of the tender and that it is the objective of this tender, *inter alia*, to assist in the facilitation of said licensing procedures for suitable and applicable solutions.

1.4 The Request for Information (RFI) and Request for Demonstration (RFD) Procedure

1.4.1 As part of the Company's activity to promote applicable transport technology solutions, the Company published in February 2020 (without respect to the Coronavirus outbreak), a Request for Information (RFI) and a Request for Demonstration (RFD) on the subject of "Urban Mobility in the Aerial Dimension" (hereinafter: "**Request for Information Procedure**").

1.4.2 In light of the guidelines and restrictions imposed following the Coronavirus outbreak, the Company seeks to accelerate its efforts for examining the technological solutions that will address the services described in the tender, some of which will be contained in the originally published request for information documents as stated above. In light of this, Bidders submitting their proposals to the tender will be given the opportunity to rely on the information presented in their tender proposal for the purpose of participating in the request for information procedure, and preference will be given to those Bidders that will provide a response as close as possible to the specifications contained in the request for information.¹

1.4.3 **However, it must be clearly understood that this tender is a separate and different procedure from that of the RFI, due to the urgent need for an immediate response concerning the objective of the tender and receipt of the services that are the subject of the tender.** The request for information procedure will remain valid and be conducted as specified in the RFI documents.

1.5 Definitions

For purposes of this tender, the terminology herein will be as defined in the meanings next to each term:

¹See:

<https://www.ayalonhw.co.il/tenders/%d7%91%d7%a7%d7%a9%d7%94-%d7%9c%d7%a7%d7%91%d7%9c%d7%aa-%d7%9e%d7%99%d7%93%d7%a2-rfi-%d7%95%d7%91%d7%99%d7%a6%d7%95%d7%a2-%d7%94%d7%93%d7%92%d7%9e%d7%94-rfd-%d7%91%d7%a0%d7%95%d7%a9%d7%90-%d7%a0/>

“The Company”/“Ayalon Highways”

- Ayalon Highways Co. Ltd;

“The Professional Committee”

- A professional committee that will examine the solutions proposed as part of the tender, as specified in Clause 4.2 below:

“The Tender”

- This tender issued by Ayalon Highways, all of its appendices, documents and updates and the clarifications attached to it;

“The Framework Agreement”

- The contractual agreement drafted as **“Document B”** and attached to the tender documents (will be signed with those Bidders declared as winning bids in the tender and will entered into the framework suppliers repository);

“Standard Suppliers Agreement”

- The contractual agreement for execution of a specific task, drafted as **“Document C”** and attached to the tender documents, in the most updated version as possessed by Ayalon Highways on the date of the task’s assignment (will be signed with the Bidder declared a winning bid in a certain, individual referral). For the sake of clarity, should the Company update its Standard Suppliers Agreement, the Standard Suppliers Agreement to be signed between the framework supplier and the Company with respect to a task scheduled for execution will be the updated draft;

“Framework Suppliers Repository”

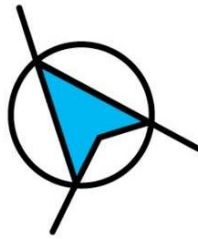
- The repository comprised of framework suppliers that will execute the services pursuant to the documents of the tender;

“Task Execution”

- A specific task for the provision of services that are the subject of the supply tender that will be executed by those among of the framework suppliers in accordance to the results of the individual referral in relation to this task;

“The Technical Response”

- A technical response document that will be added to the Bidder’s proposal specifying the concept



“The Proposed System”/“The Proposed Solution”

proposed for the delivery of the solution that is the subject of the tender and by which cargo is transported via UAV, as detailed in Clause 6.2.2 below:

- A technological solution for transporting cargo by means of a UAV that will be proposed by the Bidder in the framework of this tender, including all of its components;

“Framework Supplier”/“Winning Bidder”

- A Bidder (or each one of the Bidders, in the event of several winning bids in the tender) that will be declared a winning bid in the tender, with whom the Company will sign the Framework Agreement, and will enter into the Company’s Framework Supplier Repository;

“Bidder”

- Whoever submits a proposal to the tender;

“Individual Referral”

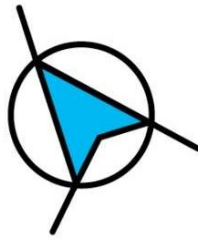
- As defined in Clause 7 below;

“The Services”

- Services for UAV cargo transport, as specified in Clause 7 herein, as well as those services that will be defined in the framework of individual referrals that will be conveyed to winning Bidders as per the specifics below;

“UAV”

- Unmanned Aerial Vehicle



1.6 **The Services Required as Part of the Tender**

- 1.6.1 Deliver medications to those in need in general, and specifically to the elderly and the isolated infirm.
- 1.6.2 Transport designated equipment from one location to the next.
- 1.6.3 Transport food and medicines to closed-off areas.
- 1.6.4 Any service in addition to and/or affiliated with the services above, as may be required as part of the struggle for combating the Coronavirus.
- 1.6.5 It will be clarified here that the services comprising the tender will be granted solely for use in a civilian context, and are not for use in either a military or police context.
- 1.6.6 It will be further clarified that the list above does not comprise a closed list, and the Company will be entitled to include additional services as part of the individual referrals conveyed to the winning Bidders in the tender, as detailed herein.

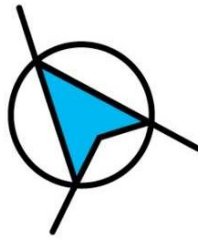
1.7 **The Period of the Contract**

The period of the contract between the Company and those Bidders declared as winning bids will be for 24 months. The Company will be given the option, at its sole and absolute discretion, to extend the period of the contract by 3 additional periods of 12 months each, all as specified in the framework agreement.

1.8 **Timetables**

The planned timetables for the proceedings are as follows:

- Publication of the tender -
- Online Suppliers Meeting
(Participation is not compulsory.
Details concerning the meeting will
be advertised on the Company's
website and the Dekel website) -
- The deadline for clarification
questions -



- The deadline for proposal submission

The Company is entitled, at any time and at its sole discretion to alter the procedural timetable, in a notification to be given to the Bidders.

2. Tender Documents

2.1 These are the documents that comprise the tender documents:

2.1.1 Document A' - the terms of the tender volume, and its appendices (this document):

2.1.1.1 Appendix 1 - Bidder Profile Form;

2.1.1.2 Appendix 2 - Proposal Form;

2.1.1.3 Appendix 3 - The Bidder's Declaration Concerning an Understanding of the Terms of the Tender;

2.1.1.4 Appendix 4 - Attorney Confirmation;

2.1.1.5 Appendix 5 - Affidavits under the Public Entities Transactions Law, 5736-1976;

2.1.1.6 Appendix 6 - An Affidavit Showing Proof of Threshold Condition Compliance as contained in Clause 5.2;

2.1.1.7 Appendix 7 - An Affidavit Concerning the Bidder's Status;

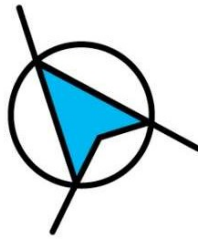
2.1.1.8 Appendix 8 - A Declaration Concerning the Absence of Conflict of Interest;

2.1.1.9 Appendix 9 - A Declaration Concerning the Terms of Participation in the Tender as part of the "Dekel Tender" System.

2.1.2 Document B' - The Framework Agreement;

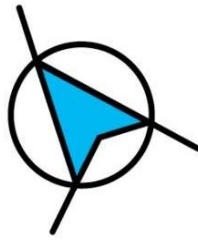
2.1.3 Document C' - The Standard Suppliers Agreement.

2.2 All tender documents, whether or not attached, constitute the property of the Company and conveyed to the Bidders for the purpose of preparing and submitting their bids, and for this purpose only. To dispel any doubt, it is hereby clarified that these documents are the property of the Company even after they have been filled out by the Bidder, and that the Company may use them in any way, at its sole discretion, whether or not the Bidder was selected to execute the services, without the Bidder having any claim or suit in this



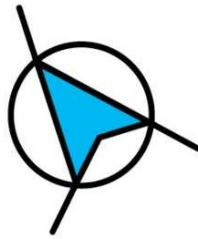
respect. The Bidders are prohibited from copying the tender documents or using them or any other objective.

- 2.3 A set of the tender documents may be downloaded (at no charge) from the Company's website www.ayalohw.co.il. **Proposals will be submitted by means of an electronic system.**



3. E-Tender (Online)

- 3.1 This tender will be conducted as a web-based e-tender as per the provisions of Regulation 19c of the Mandatory Tender Regulations 5753 - 1993. Bidders are aware that they must act so that their proposal is submitted through the electronic system operated and maintained by the “Dekel” Company (“**e-tender system**”), and that no proposal will be accepted for these proceedings that are not submitted through the e-tender system.
- 3.2 All parties interested in participating in the tender, are obligated to register in advance in the e-tender system. For purposes of the advance registration, it is necessary to enter the link to the web-based system that will be published on the Ayalon Highways website under the “Tenders” tab on the relevant tender webpage, fill in the required details and send the registration request no later than 48 hours before the deadline for clarification questions/proposal submission. It is recommended to pre-register so as not to be late due to various delays and possible faults.
- 3.3 It should be clarified that insofar as the participant has registered in the e-system in the past, there is no need for any renewed registration.
- 3.4 Following registration to the tender, the Bidder will receive an email notification confirming the registration and details for entry into the system. Bidders are recommended to save this confirmation for continued control and follow-up.
- 3.5 Should no registration confirmation be received, the Bidder must then contact Mrs. Oshrat Alon from the Dekel Co. at +972 - (0)4-8145400 Extension 1 or by email: oshrata@dekel.co.il and verify that the request to register for the tender was in fact implemented. It is the sole responsibility of the Bidder to ensure sufficient time in advance that registration for the tender was executed properly and has received access to the automated system for participation in the proceedings, and the Bidder hereby waives in advance and irrevocably any claim against the Company concerning the absence of any possibility for the Bidder to submit clarification questions/proposal in a timely manner through the automated e-system mentioned above.
- 3.6 Since only a Bidder who has pre-registered for the tender and is equipped with the means of identification as required will be entitled to submit clarification questions concerning the proceedings/ a proposal in the tender, and no claim will be accepted by which the Bidder was in any way prevented from submitting timely questions/a proposal, including any technical fault,



lack of a suitable internet connection or any lack of available technical support in executing the registration.

- 3.7 The Bidder must scan all of the signed tender documents, as specified in Clause 2 above, and in Clause 8 below, including tender appendices, and attach all of the required documents for the purpose of supporting the proposal and as proof of threshold compliance.
- 3.8 The Bidders' attention should be directed to Appendix 9 in the Terms of the Tender Booklet- A Declaration Concerning the Terms of Participation in the Tender as part of the "Dekel Tender" System.

4. A Concise Description of the Tender Process

Herein is a concise description of the main phases of the tender. This concise description does not detract from any provision of the tender instructions and should be read in conjunction with the other tender instructions. For further expansion and detail concerning the phases of the tender see Clause 6 below.

4.1 Testing the Bidders' Compliance with the Proceeding's Threshold Conditions

During the first phase Bidders will be tested for compliance with threshold conditions for participation in the tender detailed in Clause 5 herein.

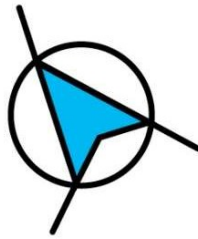
4.2 Examining the Proposed Concept Phase

For the purpose of examining the proposal, the Bidder, within the framework of the tender bid, will submit a technical proposal detailing the concept being offered for the provision of services, in accordance with the provisions of Clause 6.2 (hereinafter: "**The Proposed Concept**").

The technical proposals will undergo a review by the professional committee, which will examine the proposed concept from the aspects of safety, the level of the solution's applicability in Israel, compliance with regulatory specifications as well as any other relevant aspect in accordance with the technology upon which the solution has been based (hereinafter: "**The Professional Committee**").

At the conclusion of its review process, the professional committee will approve or reject the proposed concept. Only those Bidders that have received professional committee approval in relation to their proposed solution will be declared as winning tender bids and enter the Company's framework suppliers repository.

4.3 Entry to the Suppliers Repository



As detailed in the expansion in Clause 6 herein, subsequent to the Bidder's proof of compliance with the threshold conditions and concept approval by the professional committee, the Bidder will enter the Company's repository for framework suppliers, conditional upon their signature on the Framework Agreement attached to the tender documents as **Document B**. Following conclusion of the proceedings and the announcement of its results, Ayalon Highways, will select from within the said repository of framework suppliers, from time to time and in accordance with the selection mechanism detailed below, a supplier(s) for the implementation of a fixed and defined task. Selection of the framework supplier for implementation of the specific task will be executed pursuant to an individual referral for a Request for a Quotation (RFQ) that will be distributed among the framework's suppliers, in the framework of which will contain a definition of the scope of work required in the execution of the assigned task.

To dispel any doubt, it is clarified that at no time during the tender phase are Bidders required to submit an RFQ. Only Bidders declared as winners in the tender and will enter the framework supplier repository will be required to submit price quotation bids relative to the individual referrals that will be disseminated to them from time to time, all as detailed in the expansion herein.

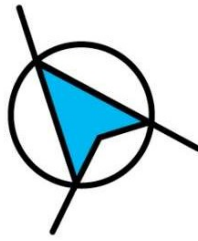
5. **Threshold Conditions**

A Bidder is entitled to submit a proposal that in aggregate meets all of the following conditions:

- 5.1 The Bidder is a corporation (company or partnership) or an authorized dealer or a joint venture (as defined herein);
- 5.2 The Bidder and/or subcontractor with whom the Bidder is connected holds a valid license for the commercial operation for unmanned aerial vehicles from the Civil Aviation Authority.
- 5.3 Holds all the required approvals and certifications as stipulated in the Public Entities Transactions Law, 5736-1976.
- 5.4 Is not in receivership, suspension of proceedings, bankruptcy or liquidation and not facing any pending applications of this kind, or insolvency, and no material foreclosure has been imposed on the Bidder's assets.

Definitions in relation to the Threshold Conditions Above:

- a. **"Joint Venture"**: A partnership of two or more legal entities, where each one bears responsibility towards the Company, jointly and separately, to the



Bidder's commitments (the joint venture) according to the tender documents. To dispel any doubt, it is clarified that each member in the joint venture is entitled to participate in only one proposal. Any proposal submitted by a joint venture will be signed by the authorized signatory(ies) from each one of the members of the joint venture, to which the stamp of each one of the said joint venture members will be affixed.

- b. **“Subcontractor”**: A corporation, whether lawfully incorporated in the State of Israel and operating in accordance with the laws of the State of Israel, or related to the Bidder in a contractual agreement, whereby it will provide some of the tendered services, and which will remain in effect throughout the contractual period between Ayalon Highways and the Bidder, to the extent it is declared a tender winner.

6. Weighing the Proposals

6.1 Phase A' - Testing the Bidders' Compliance with the Proceeding's Threshold Conditions

In this phase, the Bidders' compliance with the threshold conditions in the tender will be examined, pursuant to the documents and affidavits attached to the Bidder's proposal. The Company reserves the right to turn to those Bidders for which there is doubt as to their compliance with the threshold conditions, inter alia for purposes of receiving pertinent explanations concerning their bid and said compliance with the threshold conditions.

6.2 Phase B' - Examining the Proposed Concept

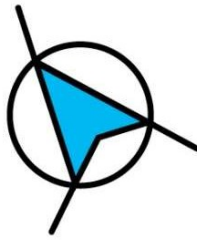
6.2.1 As detailed herein, during examination of the various proposals, it is in this phase that the Bidder will submit in the framework of the proposal a technical response detailing the concept being offered for the provision of services.

6.2.2 The technical response document will contain at least a reference to all of the subjects below:

6.2.2.1 A detailed description of the UAV system in the format of the CAAI form:

https://caa.gov.il/index.php?option=com_docman&view=document&alias=5210-002-1&category_slug=2015-10-13-06-38-50-7&Itemid=669

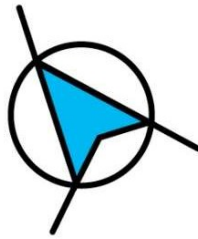
6.2.2.2 A risk analysis for operating a UAV system in the proposed specific outline, recommended according to the



SORA
methodology:

<http://jarus-rpas.org/content/jar-doc-06-sora-package>

- 6.2.2.3 Technical specifications in the field of cargo delivery, including: The cargo loading method, the travel capacity and its effect on effective range, and the method for cargo unloading.
- 6.2.2.4 Previous experience in the field of cargo transport and the level of maturity of the proposed solution.
- 6.2.3 During this phase the Company will examine the technical response submitted by the Bidders that have proven their compliance with the threshold conditions. The review will be executed via the professional committee, during which the technical response submitted by the Bidder will be examined.
- 6.2.4 The Company will be entitled, although not obligated, to meet with those of the Bidders, at which time the Bidder will be afforded the opportunity to present and explain their concept. The Company is entitled to hold one or more meetings with the Bidder at its discretion. It is further clarified hereby that the personal meeting is intended to afford the Company the opportunity to gain a better understanding of the proposed systems and the Bidders' capabilities, as well as convey to the Bidders pertinent comments and/or requests to correct faults or defects. During the meeting the professional committee will be entitled at its discretion to request additional details or clarifications from the Bidder. The Bidder will be required to convey the specified completions within a set timetable.
- 6.2.5 Furthermore, the Company will be entitled, although not obligated to convey the Bidder its comments in relation to the proposed concept, to the extent there are such comments. In general, the Company will be entitled to comment to the Bidder with respect to any deficiencies and/or discrepancies and/or improvements that have been discovered and/or required in relation to the proposed concept. In the case as stated above, the Bidder will be afforded the opportunity to revise the proposed concept (to the extent it is so desired). The submission of the



revised concept, insofar as required, will be done within the dates set forth for such by the Company.

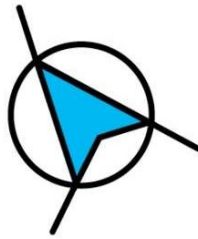
- 6.2.6 The professional committee will examine whether the proposed concept meets the standards of safety, applicability, compliance with regulatory specifications as well as any other relevant aspect in accordance with the technology upon which the solution has been based. To dispel any doubt it is hereby clarified that the examination of the technical response by the Company will in no way constitute any agreement and/or approval concerning the system's means of operation.
- 6.2.7 At the conclusion of its review process, the professional committee will approve or reject the proposed concept.
- 6.2.8 Only those Bidders that have received professional committee approval in relation to their proposed solution will be declared as winning tender bids.

6.3 Phase C - Signing the Framework Agreement and Entry into the Repository for Framework Suppliers

- 6.3.1 After the declaration concerning the winning bids in the tender, and as a condition for the Bidders' entry into the repository for framework suppliers, winning Bidders will be requested to sign the Framework Agreement attached as **Document B'** to the tender documents.
 - 6.3.2 As detailed herein, the Company will convey to the framework suppliers from time to time, in accordance with its needs, its individual referrals concerning the execution of specific tasks, and consequently, framework suppliers will be requested to provide quotations for these tasks.
- 6.4 In light of the complexity of the tendered services and their essence, it is clarified that the Company will be entitled to alter any one of the phases of the tender by a notification that will be conveyed to all of the Bidders, at any time and for any reason whatsoever, in accordance with its absolute decision and none of the Bidders will have any cause for demand and/or claim and/or argument whatsoever concerning the above mentioned.

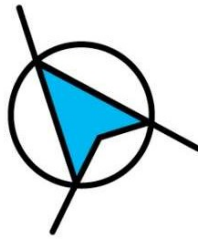
7. An Individual Referral for RFQs in Relation to the Execution of a Task

- 7.1 **This phase will be conducted following conclusion of the tender proceedings, and relates solely to winning Bidders with whom a**



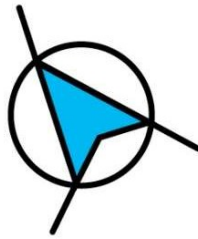
framework agreement has been signed and who has been entered into the framework supplier repository.

- 7.2 As consideration, those actual winning Bidders eligible for offering the tendered services will be calculated according to the results of the individual referrals that will be conveyed to the winning Bidders from time to time, as will be detailed below.
- 7.3 Insofar as it is not determined otherwise by the Company, the competition between the framework suppliers will be conducted based upon the price quotation received in relation to the individual referral. In other words, the supplier awarded execution of a specific task that will be defined in the framework of the relevant individual referral will be that whose bid in relation to the execution of the task that is the subject of the individual referral is the lowest thereof. Although, it should be clarified that the Company will be entitled to set additional standards for determining the supplier awarded execution of a task, as part of a specific individual referral, including consideration of certain criteria in relation to the compatibility of the proposed system and/or the Bidder to the character of the services and/or the location and the route for which the services are required.
- 7.4 After Ayalon Highways formulates a planning package for execution of a certain task that will contain a detailed description of the services required as part of said task, Ayalon Highways will distribute among the framework suppliers an individual referral for an RFQ in relation to the execution of the task (hereinafter; “**Individual Referral**”).
- 7.5 According to the results of the individual referral, Ayalon Highways will determine which among the the framework suppliers will execute the executional task as detailed above and herein. Regarding execution of a task contained in an individual referral a Standard Suppliers Agreement between the winning supplier and the Company, attached to the tender documents as **Document C**, will be signed.
- 7.6 As part of the said individual referral, Ayalon Highways will convey to the framework suppliers the documents concerning the individual referral. These documents will include the scope of the services, technical specifications and special provisions relating to the executional task.
- 7.7 These documents, will be conveyed to the framework suppliers by any means chosen by Ayalon Highways, at its sole and absolute discretion, including physical delivery, electronic mail, digital media and download from a cloud, etc. The individual referral documents will also contain the deadline for submission of quotations in relation to the execution of the task by the



framework supplier (hereinafter: “**A Price Quotation for an Individual Referral**”).

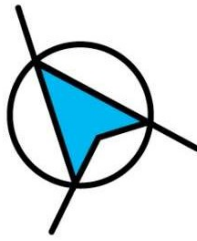
- 7.8 In the price quote for the individual referral, framework suppliers will be required to name their proposed financial offer relative to execution of the services detailed in the individual referral documents, and this upon a price quotation form that will be attached to the individual referral documents.
- 7.9 Framework suppliers will be obligated to participate in each of the individual referrals that will be conveyed to them by Ayalon Highways as part of the contract that is the subject of the tender and submit their bids relative to these referrals.
- 7.10 It will be further clarified that the Tenders Committee of Ayalon Highways, in the context of a written reasoned decision, will be entitled to turn to only some of the framework suppliers, and as part of this framework be further entitled to consider among its considerations the capacity and experience of the Bidder in the execution of similar works including previous works executed for Ayalon Highways and/or other public entities, its organizational and economic capabilities, and any other consideration or reasoning that Ayalon Highways may deem appropriate and correct.
- 7.11 The price quotes for the individual referral will be examined pursuant to the provisions of this clause and the remaining provisions of the tender and/or the individual referral.
- 7.12 The Company will be entitled to assign tasks to a framework supplier without conducting the above mentioned pricing competition among the framework suppliers, in the case that the Company, at its sole discretion, is led to believe that execution of the said task cannot be assigned to the other framework suppliers, because of the burden of activity facing one or more framework suppliers that would prohibit meeting the requested timetable, cause a late date on delivery of other projects, execute works at a quality deemed unsatisfactory by the Company, in those circumstances in which uniformity is required for the sake of cost savings and efficiency, etc.
- 7.13 **Assigning Tasks for Execution**
- 7.13.1 **To dispel any doubt is hereby clarified that there is nothing in the winning of this framework tender to ensure to any of the winning Bidders that Ayalon Highways will indeed convey any tasks for execution whatsoever and will order from said supplier any services and/or in any scope thereof.**



- 7.13.2 **Without derogating from the above mentioned, this tender does not establish towards the framework suppliers any commitment, except the commitment of Ayalon Highways to incorporate them in framework supplier repository, from which Ayalon Highways will select from time to time and in accordance with the provisions of this tender, the framework supplier with whom it will engage for execution of a specific task.**
- 7.13.3 It will be further clarified that Ayalon Highways is incapable of knowing and/or presenting at this time the specific tasks for execution that will be conveyed for actual execution by the framework suppliers, their financial scope and/or their nature. The works' scope in relation to each specific executional task will be known and final only near the publication of the individual referral relative to the executional task.
- 7.13.4 It should be clarified that delivery of tasks for execution as per the provisions of this tender framework, is subject to receiving the budgetary approvals suitable for their execution.
- 7.13.5 Indeed, submission of a proposal to the tender views the Bidders as those who agree and approve the above mentioned, and waive any claim, demand and/or suit against Ayalon Highways and/or those acting on its behalf for and/or in connection with the provisions of this tender.

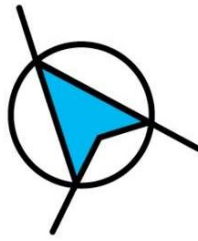
7.14 **The Contract Agreement as a Framework Agreement**

- 7.14.1 As stated above, it is the Company's intent to split the contract that is the subject of the tender and enter into a framework contract with several winning Bidders, at its sole discretion, that will be included in the repository of framework suppliers in the field of the required services.
- 7.14.2 The framework agreement that will be signed between the Company and each one of the winning Bidders in the tender, will be a Framework Agreement for the Execution of Tasks for Execution, where the Company, at its sole discretion, and according to its needs, will conduct individual referrals for requests for quotations in connection with the tasks for execution among the winning Bidders from time to time and in accordance with the specifications of Clause 7 above. Before an executional task is assigned to a framework supplier, the parties will sign a Standard Suppliers Agreement with respect to the said executional task in the format draft attached to the tender documents as **Document C**'. It should be clarified that the



Company is entitled to update its wording of the Standard Suppliers Agreement, *inter alia*, for the purpose of its adjustment to a specific task, and in such an event the agreement that will be signed between the framework supplier and the Company in relation to the executional task will be the updated format version.

- 7.14.3 For the avoidance of doubt, it is clarified that there is nothing in the tender documents and in the framework agreement, to ensure winning Bidders any scope of work whatsoever for the execution of the tasks for execution contained in the tender, which will be implemented solely as per the Company's needs and at its sole discretion, and which will give the winning Bidders no grounds for any demand and/or claim and/or argument whatsoever as to the mentioned above.
- 7.14.4 It will be further clarified, to dispel any doubt that the Company is entitled to execute some of the work on its own or by means of third parties outside the proceedings and/or publicize tenders and conduct additional proceedings with respect to the execution of any executional task whatsoever that could be implemented within the tender framework, all at its sole discretion, and this tender does not constitute any obligation on the part of the Company to the winners of the tender.
- 7.14.5 For the avoidance of doubt, it is clarified that the Company, at its sole and professional discretion, will be entitled not to turn to any framework supplier for implementation of its proposed solution, and instead contract and/or publicize tenders and/or conduct other competitive proceedings with respect to the application and assimilation of the system that is the subject of the tender that could be executed in the framework of this tender, or contract with any other entity for such purposes, all within the provisions of the law. Accordingly, **it will be stated explicitly that a framework supplier will not be granted any exclusivity whatsoever by the Company in relation to the application and/or assimilation of technological solutions that are the subject of the tender.**
- 7.14.6 It will be further clarified that application of the proposed technological solutions pursuant to the provisions of this tender, is subject to receiving the suitable budgetary and regulatory certifications for their execution. The scope of the application, as it may be, will be determined by the budgetary framework available to



the Company and according to its needs, as defined from time to time.

- 7.14.7 Indeed, submission of a proposal to the tender views the Bidders as those who agree and approve the above mentioned, and waive any claim and/or demand and/or suit against Company and/or those acting on its behalf for and/or in connection with the provisions of this tender.

7.15 **Priorities and Coordination**

- 7.15.1 The Company is entitled to convey to the winning Bidders with whom it has contracted in accordance with the tender documents, several concurrent executional tasks, by virtue of the Special Framework Agreement that will be signed between the parties. In the event that the Company will convey to the winning Bidder several tasks as stated above, the Company will be entitled to establish the order of priorities between the tasks conveyed to the winning Bidder and the winning Bidder will execute the executional tasks in as per the order of priorities established from time to time by the Company.

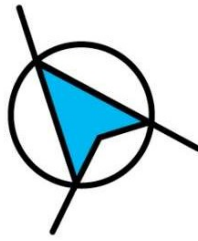
- 7.15.2 The framework supplier will execute the executional tasks in accordance with the specifications defined by Ayalon Highways relative to the manner and stages of the executional task. In this context it will be clarified that the framework supplier will be required to be prepared for the execution of special tasks pursuant to the project's needs, including a single executional task concerning works in several different work sites and/or operate several concurrent work teams and/or execute works at night.

8. **Documents to be Attached to the Proposal**

- 8.1 To show proof of the Bidder's compliance with the threshold conditions for the tender, and examine the bids in accordance with the terms of the tender, the Bidder will attach to his proposal all the required certifications and documents, including the following documents:

- 8.1.1 **For proof of the Bidder's compliance with the threshold conditions set in Clause 5.1 above**, the Bidder will attach to his proposal an authorized dealer certificate and/or documents of incorporation of the Bidder as well as the current extract from the Corporate Registry or the Partnership Registry, as applicable;

- 8.1.2 **For proof of the Bidder's compliance with the threshold conditions set in Clause 5.2 above**, the Bidder will attach to his



proposal a legally prepared and verified affidavit in the wording attached to the terms of the tender booklet as **Appendix 6**, as well as **copies of the certificates, licenses and permits of the relevant entities**;

8.1.3 **For proof of the Bidder's compliance with the threshold conditions set in Clause 5.3 above**, the Bidder will attach to his proposal affidavits in the wording attached to the terms of the tender booklet as **Appendix 5**, and all of the certifications required as per the Public Entities Transactions Law, 5736-1976.

8.1.4 **For proof of the Bidder's compliance with the threshold conditions set in Clause 5.4 above**, the Bidder will attach to his proposal a lawfully prepared and verified affidavit in the wording attached to the terms of the tender booklet as **Appendix 7**.

It is hereby clarified that in light of the current restrictions, Bidders are entitled to attach to their tender proposals affidavits containing signature verification by an attorney that was prepared via video conference, in accordance with the instructions and guidelines of the National Ethics Committee of the Israel Bar Association.

8.2 The Bidder must attach to his bid, in addition to other attachments required by the terms of this tender, and in addition to the signed proposal documents, the following documents listed below:

8.2.1 The Bidder Profile Form as per the wording attached as **Appendix 1** to the terms of the tender volume;

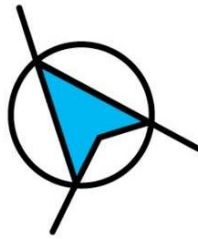
8.2.2 A Complete and Signed Proposal Form, in the wording attached as **Appendix 2** to the terms of the tender volume;

8.2.3 The Bidder's Declaration Concerning an Understanding of the Terms of the Tender; in the wording attached as **Appendix 3** to the terms of the tender volume;

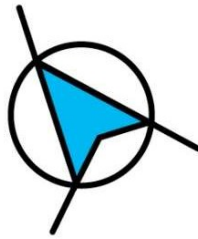
8.2.4 Valid approval from the Property Assessing Officer, or the Certified Public Accountant, who lawfully manages the accounts and records to be managed under the Income Tax Ordinance (New Version), 5721-1961 and the Value Added Tax Law, 5736-1975;

8.2.5 Valid tax deduction at source;

8.2.6 Attorney certification, according to the wording contained in **Appendix 4** of the terms of the tender volume, specifying the following -



- 8.2.6.1 Execution of the services and the contracting in this contractual agreement for their execution falls within the authority of the Bidder;
- 8.2.6.2 Names of the Bidder's managers;
- 8.2.6.3 The names of the persons whose signatures obligate the Bidder;
- 8.2.6.4 Details of the Bidder's owners;
- 8.2.6.5 Confirmation that the signatories on the proposal and tender documents are indeed authorized, and their signature obligates the Bidder for all intent and purpose.
- 8.2.7 The Bidder is required to attach a Declaration Concerning the Absence of Conflict of Interest in the wording attached to the terms of the tender booklet as **Appendix 8**.
- 8.2.8 The Bidder is required to attach a Declaration Concerning the Terms of Participation in the Tender as part of the "Dekel Tender" System in the wording attached to the terms of the tender booklet as **Appendix 9**.
- 8.2.9 **The Bidder will submit a technical response document (as detailed in Clause 6.2 above) that will be examined as part of the stages of the tender, as detailed above. It will be acceptable to attach to the technical response document film clips that illustrate the capabilities of the propose system, photographs and any referral to the manufacturer's catalog concerning details pertinent to the technical capabilities of the system and any other accompanying and/or supportive material to the technical response document.**
- 8.3 The Bidder will fill out all of the details required to be filled in all of the tender documents.
- 8.4 All tender documents, as detailed in Clauses 2 and 8 above, will be signed by the authorized signers of the Bidder and affixed to the proposal. Pages not containing a printed space for the signature, will be initialed only. Pages containing a printed space for the signature, including the contractual agreement, will be signed under the full name, and if required (a corporation) accompanied by a corporate stamp and according to the Bidder's regulations. A place where attorney and/or CPA certification is required will be filled out and signed by the attorney and/or CPA.



- 8.5 The bidder must ensure that the identifying number in all documents submitted, including VAT registration (authorized dealership certificate) and income tax (bookkeeping certificate), will be identical. If and to the extent is no match in the ID number, a certificate/explanation from the competent authorities will be attached.
- 8.6 All of the documents mentioned above will be submitted, together with the proposal by the Bidder and all of the tender documents. Should any proposal be submitted without all of the above mentioned requested documentation, the Company's Tender Committee is entitled, but not obligated to reject said proposal solely for this reason, and not discuss it.

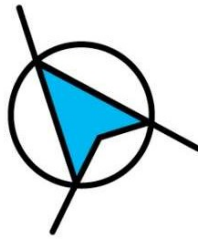
9. Reservations

No modification, whether by way of addition, by way of deletion or otherwise, shall be included in the tender documents. Any changes or additions made to the tender documents, of any kind, or any reservation thereof, whether by an addition to the body of documents or by accompanying letter or otherwise, may result in the rejection of the proposal - all according to the sole and absolute discretion of the Company.

In addition, failure to fill out any of the details required by the Bidder to fill out and/or failure to sign and/or any deviation from the requirements of the terms of the tender booklet may also result in the rejection of the proposal - all according to the sole and absolute discretion of the Company.

10. Contradictions and/or Discrepancies

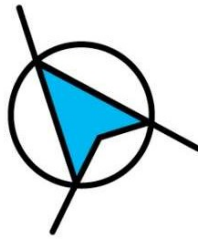
- 10.1 Insofar as it is the Bidder's belief that the tender documents contain contradictions and ambiguities, the Bidder may appeal in writing up to the date specified in Clause 1.8 above, via the designated [tab](#) in the e-tender system, while providing identification and contact information for the purpose of detailing the clarifications, contradictions, errors, discrepancies or any doubts which may be found in relation to the precise meaning of each section or any detail whatsoever.
- 10.2 It should be clarified that for the purpose of submitting any clarifying questions, it is necessary to register in the e-tender system as specified in Clause 3 above.
- 10.3 The Company's answers to Bidders' queries and inquiries will be uploaded to the tender page in the e-tender system, under the tab of the tender, and will be available for Bidder's reference together with the remaining tender documentation. Bidders are under obligation to keep current with the Company's publications in connection with the Tender.



- 10.4 It should be emphasized that at the clarification questions deadline, the system will be locked to prohibit submission of subsequent questions for clarification. Clarification questions should not be submitted in any way other than as set out above and through the said e-tender system.
- 10.5 Whoever does not refer in the manner as stated, will be prevented from making any argument(s) concerning improbability and/or ambiguity, errors, discrepancies and mistakes, etc.
- 10.6 The Company is entitled to not address inquiries for clarification and/or objections, or any part thereof, and convey its response to all the Bidders (without naming the Bidder who has contacted them), all at its sole discretion. If the Company fails to address the referral and/or objection until the deadline for proposal submission, this will be viewed as a rejection of the Bidder's inquiry.

11. Bidders Meeting, Clarifications and Changes

- 11.1 The Company intends to conduct an online Bidders meeting. It is the objective of the meeting to offer a general background concerning the subject of the tender and address any questions that are liable to arise among the Bidders. At the same time, and for the avoidance of doubt, the purpose of the meeting is to assist in discussing and resolving questions that will arise. It is stated and should be clarified that which is stated during the Bidders' meeting will not bind the Company, will not represent any representation and not contradict the tender documents. By his participation in the Bidders meeting as stated, the Bidder agrees to this condition.
- 11.2 Unless determined otherwise, **the Bidders Meeting will take place on _____ at _____ according to the details that will be published in the Dekel Tender and Company websites. Participation in the meeting is not compulsory.** Those interested in attending are asked to arrive precisely and on time.
- 11.3 It should be clarified that the Company, at its sole discretion, will be entitled to conduct additional Bidders meetings.
- 11.4 The Company reserves the right to introduce modifications and revisions into the tender documents until the final deadline for proposal submissions, whether at its initiative or in response to Bidders' queries, all at its sole discretion. The above mentioned modifications and revisions will be an inseparable part of the terms of the tender and will be brought in writing to the attention of the participants of the tender through the e-tender system, under the tender tab. Bidders are under obligation to keep current on a regular



basis concerning modifications, revisions and clarifications that will be published with respect to the tender in the above mentioned e-tender system.

- 11.5 At its discretion, to the extent that such changes are material and in its judgment requires postponement of the deadline for submitting bids, the Company will be entitled to announce the postponement of this date, in a notice which will be forwarded to all Bidders.
- 11.6 Every response of the Company and/or of its representative a Bidder will be exclusively in writing, and there is no validity to any answer given by any other means. The Company will not be responsible for any verbal explanations given by its employees, subcontractors on its behalf and/or any other person in the context of terms, conditions and stipulations pertaining to the tender and/or the proposal, and communications between the Company and Bidders will be based solely on written documents.
- 11.7 It is clarified that the Company's reference to the Bidders' inquiries concerning clarifications and/or modifications, if there is such a reference, at the Company's discretion, will be done without naming the Bidder who contacted it.
- 11.8 Bidders will be required to confirm reception of any notification and/or response from the Company within two days from its reception.

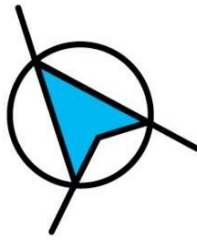
12. Submitting a Proposal

12.1 General

- 12.1.1 The proposal, and all its appendices, containing all of the documents and references the Bidder is required to attach, will be submitted in the automated e-tender system as detailed above.
- 12.1.2 Without derogating from the above mentioned, the Bidder's proposal will contain, *inter alia*, every document required to show proof of the Bidder's compliance with the threshold conditions and any other document required according to the tender documents.
- 12.1.3 The proposal may not be submitted in any manner that differs from the above mentioned, including not be email, to the Company's offices, by fax or the postal service.

12.2 Redacted Copy

- 12.2.1 Without derogating from the above mentioned, the Bidder is entitled to submit one additional copy of the submitted documents (without a financial bid), in which information that in the Bidder's



judgment constitutes secret information or a commercial or professional secret not to be disclosed to other Bidders may be redacted. This copy will be labeled “*Commercial Secret*” and attached as an optional document by means of the e-tender system.

12.2.2 The Company is not obligated by any law to accept the Bidder’s opinion. For the record, it will be hereby clarified that should the Company choose to disclose to other Bidders information labeled by the Bidder as confidential, the Company will inform the Bidder, prior to the disclosure, of its decision concerning its intent to disclose to the other Bidders and will offer the Bidder a period of forty-eight hours (48 hours) to appeal this decision.

12.2.3 To dispel any doubt, in the event that the Bidder does not submit a redacted copy as stated above, the Company will be entitled to disclose to the other Bidders the full and complete proposal of the Bidder, all of the terms and details, at its sole and absolute discretion and without any prior notice.

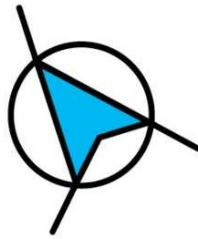
12.3 The Bidder must submit the detailed proposal pursuant with the specifications and terms of the tender, as well as the other tender documents conveyed to the Bidder by the Company to the tender receptacle intended for the tender located in the company’s offices, no later than the final deadline (date and time) for submission of the proposals. Any proposal submitted later than the stated date and time will not be opened.

12.4 **The final deadline for the submission of proposals is at [hour] on the date of [date].** A proposal not present in the tender box on the above mentioned date and/or submitted at a later will not be accepted.

12.5 The Bidder’s proposal will remain valid, irrevocable, for a period of six months, unless the Bidder agrees to the Company’s request, if there will be such a request, to extend its validity. If the Company’s request to extend the validity of the proposals, is not agreed upon by a Bidder, the proposal submitted by the said Bidder, who has not agreed to extend the its validity will be rejected, and the Company will be entitled to continue the tender proceedings and afterwards select a Bidder’s proposal that has agreed to the request to extend its validity, and this is even if the other proposal, the validity of which was not extended, was a preferable proposal.

13. Conflict of Interest

The Company hereby notifies all of the following instructions:



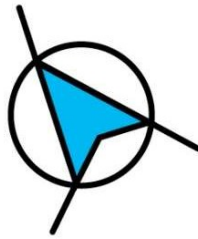
An organ in the Company (including a Director or CEO), his relative, agent or partner, or a corporation that one of the above mentioned holds, directly or indirectly, any rights whatsoever, and/or one of them is a manager and/or employee responsible to said individual, is ineligible to participate in this tender. As to the matter of "relative" - spouse, parent, son or daughter, brother or sister.

A Bidder or anyone on his behalf, for whom there is a conflict of interest with the services that are the subject of this tender and/or there is a conflict of interest between the said individual and Ayalon Highways - will be unable to participate in the tender, unless approved by the Company and subject to the terms and conditions imposed on the Bidder, at its sole discretion.

14. Consideration of Proposals - General

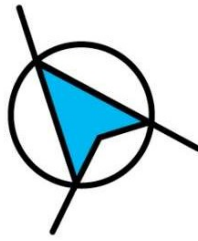
Without derogating from the above mentioned and any right afforded under law and/or pursuant to the provisions of this tender, the Company shall enjoy all of the following rights herein:

- 14.1 The proposals will be reviewed by the Company, which will be entitled to seek the assistance of consultants, experts and other third parties as may be appropriate.
- 14.2 It is hereby expressly and explicitly stated that the Company is not obligated to accept the best or any proposal whatsoever, and reserves the right to reject any or all proposal(s), all at its sole discretion. It is further clarified that the Company is entitled, although not obligated, in the event it is of the belief that none of the proposals are worthy of acceptance, to negotiate with the Bidder that has proposed the best proposal of the proposals submitted, at its sole discretion, and according to the results of the negotiations decide whether to accept the above mentioned proposal or cancel the tender.
- 14.3 The Company will be entitled not to deliver the works that are the subject of this tender to a Bidder even if said Bidder has proven compliance with all of the terms and conditions detailed above, and this may be, *inter alia*, because of the Company's bad experience with the Bidder and/or its acquaintance with said Bidder, or in the case of a corporation, because of any bad experience with any of the individuals and entities controlling it and acting on its behalf and/or is acquainted with them. The Company is also entitled not to deliver the works that are the subject of this tender to a Bidder even if said Bidder has proven compliance with all of the terms and conditions detailed above, and this if has become clear, according to tests and investigations it may conduct, and in its professional judgment that other public entities have a bad experience with the Bidder and in the case said



Bidder is a corporation, with any of the individuals and entities controlling it and acting on its behalf.

- 14.4 The Company is entitled, although not obligated, to reject any proposal found to be incomplete, or unclear, or not prepared as per the tender documents, and this, at the sole and absolute discretion of the Company.
- 14.5 The Company reserves the right to cancel the tender, for any reason whatsoever, on any date, including after the proposal submission deadline. This includes the number of proposals submitted, and the amount stated in each, which are the reasons that may underlie the company's decision to cancel the tender. To dispel any doubt, it is hereby clarified that the Company reserves judgment not to accept any proposal, and the participants shall not have any claim and/or argument in this respect.
- 14.6 The Company will be entitled, although not obligated, at its sole discretion, to demand from a Bidder and/or third parties to provide additional information and/or clarifications and/or explanations and/or supplements in relation to the Bidder's proposal and/or enable the Bidder to do so, including in the matter of presenting any document, certificate, permit or license as required according to the terms of this tender relative to a Bidder, and including the need to prove the Bidder's compliance with the threshold conditions, as long as every document, certificate or permit is valid and applicable to the final proposal submission deadline. It is further clarified that any inquiry to third parties as stated in this clause above, will be done in coordination with the Bidder.
- 14.7 The Company reserves the right to forgive fulfillment of any requirement or condition of the terms of this tender that are not essential and do not violate the principle of equality, all of which is at the discretion of the Company's Tender Committee.
- 14.8 The Company is entitled, at its sole discretion, to negotiate or not to negotiate with the Bidders, all or parts thereof.
- 14.9 The Company is entitled, at any time and at its discretion, to postpone, whether at its initiative or at the request of those among the Bidders, the timetable set forth in the tender and instead establish a new timetable(s) for the purpose of fulfilling the Bidders' undertakings.
- 14.10 The Company is entitled to execute some of the tendered services on its own or by means of third parties outside the proceedings, all at its sole discretion.
- 14.11 Anywhere in the Tender Documents and/or the Contract Agreement in which any amount appears, said amount will be deemed a non-binding estimate



only, and the winning Bidders will not make any claim as to their eligibility for said amount in connection with the execution of the Contract Agreement and/or any other claim concerning a vested right to perform services under the Agreement at some minimum amount whatsoever.

Submission of a proposal will be interpreted, *inter alia*, as agreement of each one of the terms, conditions and stipulations detailed above.

15. General Conditions

15.1 Budgetary Approval and Tender Cancellation

It is clarified that at the date of publication of the tender, the budgetary approval for execution of the tendered services has not yet been attained. Therefore, there is the possibility that the tender may be cancelled and/or postponement of the starting date for execution of services due to a failure to obtain budgetary approval and/or its cancellation at the Company's discretion. Indeed, submission of a proposal to the tender views the Bidders as those who agree and approve the above mentioned, and waive any claim and/or demand and/or suit against Company and/or those acting on its behalf in this matter and undertake not to raise any claim, demand and/or suit against the Company and/or those acting on its behalf and/or in connection with cancellation of the tender and/or postponement of the starting date for execution of tendered services for any reason whatsoever.

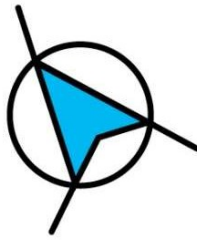
To dispel any doubt it is hereby clarified that in the case of cancellation of the tender and/or postponement of the starting date for execution of tendered services, for any reason whatsoever, the Bidders will not be eligible for any compensation and/or additional payment, of any type whatsoever, including payment due to expenses incurred in the preparation of the proposal and/or any other expense incurred in connection with the tender.

15.2 Applicable Law

These proceedings are subject to the laws of the State of Israel, as amended from time to time. The proposals will be prepared and submitted pursuant to any law, and the Bidders shall be deemed to have received appropriate legal counsel for participation in the proceedings and proposal submission.

15.3 Jurisdiction Cause

Any matter relating to these proceedings shall be heard only in the competent courts of the City of Tel Aviv-Jaffa.



15.4 **Participation Expenses in the Proceedings**

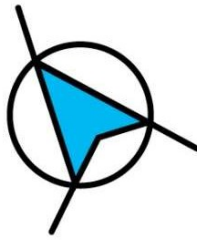
The Bidder alone shall bear the costs of his participation in the proceedings and not be entitled to any indemnity from Ayalon Highways for these expenses.

15.5 **Single Proposal**

Each Bidder is entitled to submit only one proposal. The above also applies to the person controlling or controlled by the Bidder, or controlled by a third party who also controls the former. For this purpose, the term "**control**" is defined as holding over 50% of the voting rights in the general assembly or the right to appoint more than 50% of the directors.

Itamar Ben Meir

General Manager



Appendix 1

Bidder Profile Form

Name: _____

Corporate ID /Authorized Dealer No.: _____

Year founded: _____

Bidder's Address: _____

Telephone: _____ Fax: _____

Email: _____

Name of the bidder's contact person: _____ position: _____

Mobile phone no.: _____

Names of the bidder's owners: 1. _____ I.D. _____

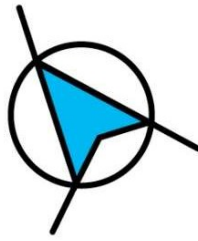
2. _____ I.D. _____

3. _____ I.D. _____

(If any company owner is a corporation, list the owners of that corporation)

Names of the authorized signers on behalf of the corporation:

The Bidder's Signature: _____

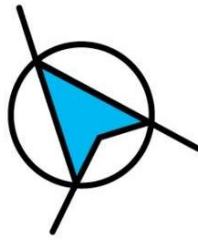


Appendix 2

FAO
Ayalon Highways Co. Ltd
Dear Sir/Madam,

Proposal Form

1. We the undersigned, after having carefully read, examined and understood the instructions of Ayalon Highways Co. Ltd (hereinafter: “**The Company**”) for offering a proposal to enter into a contract as part of E-Tender (online) no. _/20 to Locate, Examine and Deliver Technological Solutions for Transporting Cargo via UAV (hereinafter: “**The Tender**” and “**The Services**”, respectively) all of its terms, conditions and specifications detailed in the documents of the tender and their appendices, hereby offer the Company to execute the services, all as specified in the tender on all of its appendices.
2. We hereby announce that our proposal has been prepared according to the tender for all its appendices, and that we have received and/or made available to us all of the documents related to the proposal as well as explanations concerning the proposal and the execution of said services.
3. We hereby declare and warrant that if our proposal is accepted, we will perform all services in accordance with all terms of the Tender and its Appendices and to the full satisfaction thereof.
4. If our proposal is accepted, we undertake to sign, as specified in the Tender Procedures and Terms, the attached contract, and to not transfer to another party the entitlement to our rights under this agreement nor to add or join any partner or create another corporation for the use of our rights.
5. Furthermore, attached to our proposal are all of the tender documents signed by us. We know that failure to fill out and/or attach any document and/or make any change/addition to the proposal documents may result in the rejection of our proposal.
6. Our proposal is irrevocable and not given to cancellation or change. We agree that you will be entitled, but not obliged, to see our offer and its acceptance by you as a binding contract between you and us. We know and agree that you will be entitled to conduct any revised proposal submission process. We know that you will be entitled to cancel the tender.
7. Should our proposal be accepted, we undertake to comply with all of the terms and conditions prior to your signing the contractual agreement, as specified in the tender documents, and that within fourteen (14) days from the date of your announcement, we will sign the contractual agreement documents, and all the additional documents and evidence claiming presentation.



8. The data and/or documents included in our proposal, and constitute, in our judgment, secret information are as follows:

The Bidders Name (in full): _____

Names of the authorized signers on behalf of the bidder: _____

Signatures of the authorized signers; _____

The bidder's stamp: _____

Date: _____

Appendix 3

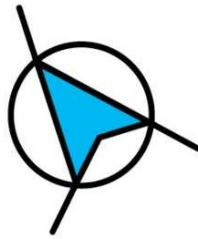
The Bidder's Declaration Concerning an Understanding of the Terms of the Tender

We the undersigned, after having carefully read and examined all of the tender documents comprising E-Tender (online) no. _/20 to Locate, Examine and Deliver Technological Solutions for Transporting Cargo via UAV, whether or not they are attached yet constitute an inseparable part of the tender documents, hereby declare and undertake the following:

1. We hereby declare that we have understood all of the mentioned in the tender documents and submitted our proposal accordingly. That we have diligently studied and examined all of the mentioned in the tender documents, reviewed all of the physical and legal requirements, conditions and circumstances that may influence our proposal of on the execution of the tendered services. We agree to all of the mentioned in the tender documents and confirm and warrant that we will not present any claims or demands based on ignorance and/or misunderstanding, and we hereby waive such claims in advance. Without prejudice to the generality of the foregoing, we know and agree that by submitting our proposal, there is an explicit waiver of any and all claims, of any discrepancy and/or irregularity, of any kind, of the tender terms and/or any terms and conditions thereof and/or any terms, conditions or stipulations afforded by law.
2. We declare that we meet all of the conditions specified in the tender and that our proposal complies with all the specifications in the tender documents and that we accept on ourselves to make any commitments in accordance with the terms of the tender documents, including the contractual agreement.
3. We declare that we know that executing the work according to the tender documents demands confidentiality concerning all information available to us as well as maintaining a high level of reliability and credibility and we undertake to comply with the provisions of the contractual agreement and fulfill all our obligations under this contractual agreement with reliability and credibility, and in strict adherence to all laws. We declare that we are not entitled to transfer any information that has come into our possession as a result of our participation in this tender to any other entity whatsoever, or use it in any way that is outside the framework of this tender.
4. We hereby declare that this proposal is submitted without any contact and/or coordination with other bidders, and that we have not disclosed the details of our proposal to other participants in the tender.
5. We hereby declare that our proposal is within the purview of the objectives and powers set forth in the corporation's documents on behalf of which the proposal is

תחבורה
מתקדמת
לישראל

נתיבי
איילון

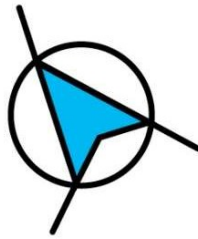


- 35-

submitted and that we are entitled to sign on behalf of the corporation on this proposal and that there is no prohibition under any law or agreement in our signing on this proposal.

Date

Bidder's Signature



Appendix 4

FAO

Ayalon Highways Co. Ltd;

Attorney Affirmation

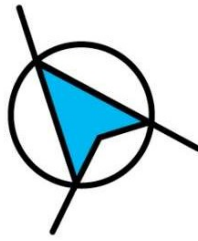
I the Undersigned, _____, attorney of _____ (hereinafter: **“The Bidder”**), hereby affirm the following:

1. Execution of the services and entering into a contractual agreement as part of E-Tender (online) no. _/20 to Locate, Examine and Deliver Technological Solutions for Transporting Cargo via UAV, falls within the powers of the Bidder.
2. The names of the Bidder's managers are: _____
3. The names of the persons whose signatures obligate the Bidder are:

4. The manner of the signature obligating the Bidder is: _____
5. The Bidder's owners are: _____
6. The signatures of _____ as well as of _____, who have signed before me on this proposal and the contractual agreement attached to it, in addition to the affixation of the Bidder's corporate stamp, obligate the Bidder's corporation for all intents and purposes.

Date

Attorney Signature & Stamp



Appendix 5

Affidavit

Regarding the Lawful Employment of Foreign Workers and Payment of Minimum Wage under the Public Entities Transactions Law, 5736-1976

I the Undersigned, Mr./Mrs. _____, bearer of the ID No. _____, after having been warned that I must declare the truth and that I shall be liable for the penalties prescribed by law if I do not do so, I hereby declare in writing as follows:

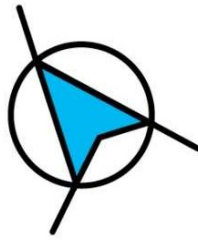
1. I have been lawfully authorized by _____ (hereinafter: “**The Bidder**”) to sign this affidavit in support of the proposal to the E-Tender (online) no. _/20 to Locate, Examine and Deliver Technological Solutions for Transporting Cargo via UAV (hereinafter: “**The Tender**”).
2. I declare that the bidder complies with one of these:
 - (a) The bidder and his affiliated party have not been convicted of a decisive verdict of an offense under the Foreign Workers Law.
 - (b) Up to the deadline for submitting proposals in the tender, the bidder and his affiliated party were not convicted of a decisive verdict of more than two offenses under the Foreign Workers Law.
 - (c) If the bidder or his affiliate has been convicted of a decisive verdict in two or more offenses under the Foreign Workers Law - that at least one year has passed since the last conviction until the proposal submission deadline.
3. I declare that the bidder complies with one of these:
 - (a) The bidder and his affiliated party have not been convicted of an offense under the Minimum Wage Law.
 - (b) Up to the deadline for submitting proposals in the tender, the bidder and his affiliated party were not convicted of a decisive verdict of more than two offenses under the Minimum Wage Law.
 - (c) If the bidder or his affiliate has been convicted of a decisive verdict in two or more offenses under the Minimum Wage Law - that at least one year has passed since the last conviction until the proposal submission deadline.

To the matter of Sections 2 and 3 above:

“Means of Control”, “Holding” and “Control” - Within the meaning of the Banking (Licensing) Law, 5741-1981;

“**Affiliated Party**” - any one of the following:

- (1) A group of individuals controlled by the Supplier:
- (2) If the supplier is a group of individuals, one of the following: (a) its controlling party; (b) a group of individuals whose composition of its



shareholders or partners, as the case may be, is essentially similar to the said composition of the Supplier, and the areas of activity of a group of individual are essentially similar to the areas of the Supplier's activities; (c) the person responsible on behalf of the Supplier for the payment of wages;

(3) If the Supplier is a group of individuals controlled by material control - another group of individuals controlled by the person in control of the Supplier

“**Convicted**”, of an offense - convicted by a decisive verdict of an offense committed after 25 Heshvan 5763 (October 31, 2002);

“**Foreign Workers Law**” - Foreign Workers Law (Prohibition of unlawful employment and assurance of fair conditions), 5751 - 1991

“**Minimum Wage Law**” - Minimum Wage Law, 5747 - 1987

“**Material Control**” - the holding of three quarters or more of a certain type of means of control of a group of individuals;

4. This is my name and this is my signature and all I have stated is the truth.

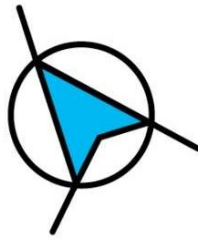
Signature of the declarant

Affirmation

I the Undersigned _____, Attorney at Law, from _____ Street, hereby affirm that on the date _____ appeared before me in my office Mr./Mrs. _____, authorized to sign on behalf of the Bidder, and identified himself by means of an identity card No. _____, and after warning him/her to declare the truth and of the penalties prescribed law if he/she does not do so, affirmed the veracity of the affidavit above and signed before me.

The Attorney's Signature & Stamp

It will be clarified that in light of the current restrictions, Bidders are entitled to attach to their tender proposals affidavits containing signature verification by an attorney that was prepared via video conference, in accordance with the instructions and guidelines of the National Ethics Committee of the Bar Association.



Affidavit

**Concerning the Appropriate Representation of Persons with Disabilities under the Public
Entities Transactions Law, 5736-1976**

I the Undersigned, Mr./Mrs. _____, bearer of the ID No. _____, after having been warned that I must declare the truth and that I shall be liable for the penalties prescribed by law if I do not do so, I hereby declare in writing as follows:

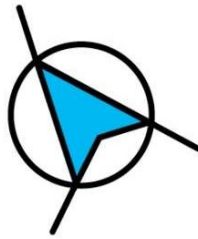
1. I have been lawfully authorized by _____ (hereinafter: “**The Bidder**”) to sign this affidavit in support of the E-Tender (online) no. _/20 to Locate, Examine and Deliver Technological Solutions for Transporting Cargo via UAV (“**The Tender**”).
2. I declare and confirm that I have received an explanation and I understand the meaning of Section 9 of the Equal Rights Law for Persons with Disabilities, 5758-1998 (hereinafter: “**Equal Rights Law**”).
3. I undertake to forward this copy of this affidavit to the Director-General of the Ministry of Labor and Social Welfare and Social Services within 30 days from the date of my contractual engagement with Ayalon Highways Co. Ltd.
4. Mark X in the suitable box:
 - The provisions of Section 9 of the Equal Rights Law do not apply to the Bidder.
 - The provisions of Section 9 of the Equal Rights Law apply to the Bidder and they are maintained.

If the Bidder employs at least 100 employees, he must undertake the following:

- The bidder undertakes to contact the Director-General of the Ministry of Social Welfare and Social Services to examine the implementation of his obligations under Section 9 of the Equal Rights Law and, if necessary, to receive instructions on their implementation.
 - If the Bidder employs at least 100 employees and has previously undertaken to contact the Director General of the Ministry of Social Affairs and Social Services to examine implementation of his obligations under Section 9 of the Equal Rights Law, which states that he has applied as required and followed the implementation of instructions, if given.
5. This is my name and this is my signature and all I have stated above is the truth.

Signature of the declarant

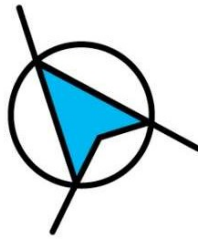
Affirmation



I the Undersigned _____, Attorney at Law, from _____ Street, hereby affirm that on the date _____ appeared before me in my office Mr./Mrs. _____, authorized to sign on behalf of the Bidder, and identified by means of an identity card No. _____, and after warning him/her to declare the truth and of the penalties prescribed law if he/she does not do so, affirmed the veracity of the affidavit above and signed before me.

The Attorney's Signature & Stamp

It will be clarified that in light of the current restrictions, Bidders are entitled to attach to their tender proposals affidavits containing signature verification by an attorney that was prepared via video conference, in accordance with the instructions and guidelines of the National Ethics Committee of the Bar Association.



Appendix 6

The Bidder's Affidavit

Showing Proof of Threshold Condition Compliance as contained in Clause 5.2

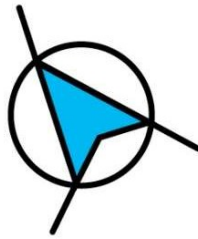
I the Undersigned, Mr./Mrs. _____, bearer of the ID No. _____, after having been warned that I must declare the truth and that I shall be liable for the penalties prescribed by law if I do not do so, I hereby declare in writing as follows:

1. I serve as a manager in _____ [*the bidder's name*], Corporate ID/Authorized Dealer No. _____ (hereinafter: "**The Bidder**") lawfully registered in the State of Israel and lawfully authorized by the Bidder to sign on this affidavit in support of the proposal to the E-Tender (online) no. _/20 to Locate, Examine and Deliver Technological Solutions for Transporting Cargo via UAV (hereinafter: "**The Tender**").
2. The Bidder and/or subcontractor with whom the Bidder is connected [*delete the unnecessary*] the holds a *valid license for the commercial operation for unmanned aerial vehicles from the Civil Aviation Authority*.
3. Insofar as the Bidder wishes to present a subcontractor on his behalf for proof of compliance with the threshold conditions:
4. The Bidder is connected in a contractual agreement with the subcontractor _____ [Please note the full name of the subcontractor], by which the latter will provide a portion of the tendered services, and which will remain in effect throughout the contractual relationship between Ayalon Highways and the Bidder, to the extent that said Bidder is declared a winner in the tender.
5. Attached to this affidavit is a copy of a valid license for the commercial operation of aircraft issued to the Bidder / subcontractor with whom the Bidder is connected [*delete the unnecessary*].

Signature of the declarant

Attorney Affirmation

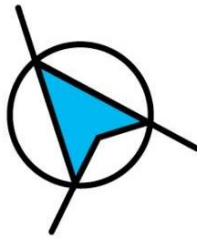
I the Undersigned _____, Attorney at Law, from _____ Street, hereby affirm that on the date _____ appeared before me in my office Mr./Mrs.



_____, authorized to sign on behalf of the Bidder, and identified by means of an identity card No. _____, and after warning him/her to declare the truth and of the penalties prescribed law if he/she does not do so, affirmed the veracity of the affidavit above and signed before me.

The Attorney's Signature & Stamp

It will be clarified that in light of the current restrictions, Bidders are entitled to attach to their tender proposals affidavits containing signature verification by an attorney that was prepared via video conference, in accordance with the instructions and guidelines of the National Ethics Committee of the Bar Association.



Appendix 7

Date: _____

FAO
Tenders Committee
Ayalon Highways Co. Ltd.

Dear Sir/ Madam,

RE: An Affidavit Concerning the Bidder's Status

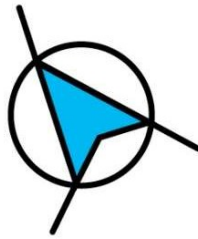
I the Undersigned, Mr./Mrs. _____, bearer of the ID No. _____, after having been warned that I must declare the truth and that I shall be liable for the penalties prescribed by law if I do not do so, I hereby declare in writing as follows:

1. I have been lawfully authorized by _____ (hereinafter: "**The Bidder**") to sign this affidavit in support of the proposal to the E-Tender (online) no. ___/20 to Locate, Examine and Deliver Technological Solutions for Transporting Cargo via UAV (hereinafter: "**The Tender**").
2. I hereby declare the following:
 - 2.1 The Bidder is not in receivership, suspension of proceedings, bankruptcy or liquidation;
 - 2.2 The Bidder is not facing insolvency;
 - 2.3 No material foreclosure has been imposed at a rate greater than the Bidder's equity capital.
3. This is my name and this is my signature and all I have stated is the truth.

Signature of the declarant

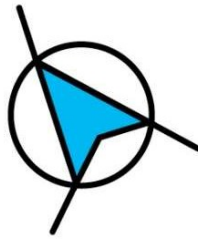
Attorney Affirmation

I the Undersigned _____, Attorney at Law, from _____ Street, hereby affirm that on the date _____ appeared before me in my office Mr./Mrs. _____, authorized to sign on behalf of the Bidder, and identified by means of an identity card No. _____, and after warning him/her to declare the truth and of the penalties prescribed law if he/she does not do so, affirmed the veracity of the affidavit above and signed before me.



The Attorney's Signature & Stamp

It will be clarified that in light of the current restrictions, Bidders are entitled to attach to their tender proposals affidavits containing signature verification by an attorney that was prepared via video conference, in accordance with the instructions and guidelines of the National Ethics Committee of the Bar Association.



Appendix 8

A Declaration Concerning the Absence of Conflict of Interest;

Date: _____

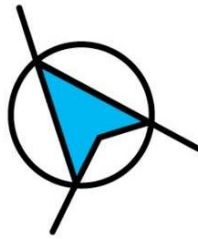
FAO
Tenders Committee
Ayalon Highways Co. Ltd.

Dear Sir/Madam,

Affidavit

I the Undersigned, Mr./Mrs. _____, bearer of the ID No. _____, after having been warned that I must declare the truth and that I shall be liable for the penalties prescribed by law if I do not do so, I hereby declare in writing as follows:

1. I serve as _____ in _____, Corporate ID No. _____ (hereinafter: "**The Bidder**") and I am signing this affidavit in support of the proposal to the E-Tender (online) no. _/20 to Locate, Examine and Deliver Technological Solutions for Transporting Cargo via UAV (hereinafter: "**The Tender**"), published by the Ayalon Highways Co. Ltd. (hereinafter: "**Ayalon Highways**");
2. The Bidder does not and will not during the period of service for Ayalon Highways have any conflict of interest of any kind, business and/or personal and/or other relationships and/or any other matter that may place the Bidder and/or the staff in a conflict of interest or concern regarding the existence of a conflict of interest (hereinafter: "**Conflict of Interest**");
3. Should the Bidder win the tender, the Bidder and his staff will act faithfully towards Ayalon Highways and solely in its best interests;
4. The Bidder and his staff undertake to refrain from being in a conflict of interest with Ayalon Highways, and undertake to notify Ayalon Highways as soon as any concern arises concerning the existence of a conflict of interest with Ayalon Highways as stated;
5. The Bidder and his staff hereby undertake that in the event of a concern as stated in Section 4 above, to cease any activity on behalf of Ayalon Highways and/or provide any service relating to the project and/or Ayalon Highways, pending the receipt of instructions from Ayalon Highways regarding the matter;



6. Without derogating from the generality of the foregoing, the following are the entities and/or corporations related directly and/or indirectly to the Bidder and/or the staff and/or the Bidder and/or its staff provides them services and/or the Bidder and/or its staff has a personal or business relationship with them when submitting a tender proposal, which may put the Bidder and/or its staff in a conflict of interest:

<u>The entity</u>	<u>The essence of the relationship with the entity and/or on its behalf</u>

7. This is my name and this is my signature and all I have stated above is the truth.

Date

Name of the declarant

ID No.

Signature of the declarant

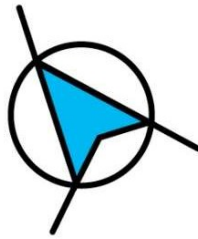
Attorney Affirmation

I the Undersigned _____, Attorney at Law, hereby affirm that on the date _____ appeared before me in my office Mr./Mrs. _____, authorized to sign on behalf of the Bidder, and identified by means of an ID No. _____, and after warning him/her to declare the truth and of the penalties prescribed law if he/she does not do so, affirmed the veracity of the affidavit above and signed before me.

Date

Attorney Signature & Stamp

It will be clarified that in light of the current restrictions, Bidders are entitled to attach to their tender proposals affidavits containing signature verification by an attorney that was prepared via video conference, in accordance with the instructions and guidelines of the National Ethics Committee of the Bar Association.



Appendix 9

Terms of Participation in the Tender as part of the “Dekel Tender” System.

1. I confirm that I have carefully read all of the tender documents above and that I know that all the tender documents **including this appendix**, without exception, are an inseparable part of the tender documents and all that it implies.
2. This tender is managed through the internet website “Dekel Tenders” at the address <https://bids.dekel.co.il/ayalon>. (and hereinafter “**website address**”).
3. Herein are the stages of the tender, as these are managed by this website, as follows:
 - 3.1. Registration on the “Dekel Tenders” website and issuance of a personal username and password for the participant. It should be emphasized that bidder entry will be executed solely by means of the username and password.
 - 3.2. Review of the tender documents, and the threshold conditions.
 - 3.3. Registration to the tender by means of the website and reception of documentation (return delivery) confirming that the participant has registered to the tender.
 - 3.4. The procedure for joining: All of the tender documents, including the appendices and other pertinent documentation should be downloaded from the designated tab. The Bidders will print and fill out all of the tender documents as per the guidelines detailed in the Terms of the Tender Volume. After filling out and signing the documents and adding all of the required documents, the documentation is to be scanned at a quality that enables comfortable reading and submit them in the designated tab according to the following classification: Compulsory documents, a response to clarification questions (will be published pursuant to the date set for the response), additional announcements and elective documents.

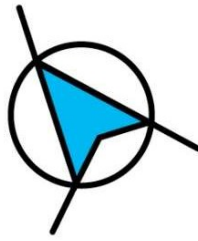
It should be clarified and emphasized that the automated e-tender system does not examine the content of the document submitted or its compatibility to tender requirements, and it is solely the Bidder’s responsibility to do so.

- 3.5. The system will sign, encode and send the Bidder’s proposal in an encoded manner such that it cannot be observed by any other entity before the date has arrived by opening the tender box by the Tender Committee and/or those authorized on its behalf.
- 3.6. Sending a single proposal. It should be clarified and emphasized that the submission of several proposals by the same participant will not be allowed **and that after submitting the Bidder’s proposal by mean of the e-tender system, the system will be locked to prevent the submission of additional documents by the Bidder.**
4. **For any question please contact Mrs. Oshrat Alon from the Dekel Co. by telephone +972-(0) 4-8145400 Ext. 1 or by email: oshrata@dekel.co.il.**
5. I hereby declare that I have understood all of the documents on their particulars and that the place of execution of the contract, terms of access and any other factors affecting or likely to affect it, including in relation to the extent of the expenses that are known and recognized by me and that accordingly I have based my proposal.

Participant’s Name: _____

תחבורה
מתקדמת
לישראל

נתיבי
איילון



- 48-

Address: _____ Tel: _____

Contact Person: _____

Signature & Stamp: _____

Date: _____