



**Document B' - The Framework Agreement**

**Ayalon Highways Co. Ltd**

**Framework Tender No. 51/20**

**Agreement No. \_\_\_\_\_**

**The Framework Agreement**

**A Framework Tender for Locating, Examining  
and Operating an Array of Public Sea Shuttle  
Ferries in Israel**

**Drawn and Signed on the \_\_\_\_\_ of the Month of \_\_\_\_\_ in the Year \_\_\_\_\_**

**Between**

**Ayalon Highways Co. Ltd**

(hereinafter and in all of the documents of this Agreement: "**The Client**"/"**The Company**"/"**Ayalon Highways**")

**And**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(hereinafter and in all of the documents of this Agreement: "**The Supplier**"/ "**The Framework Supplier**")

**Whereas** \_\_\_\_\_ and the Client is interested in locating, examining, and operating an array of public sea shuttle ferries in Israel (hereinafter: "**The Project**")

**And Whereas** and the Client has published Framework Tender No.51/20 to Locate, Examine and Operate an Array of Public Sea Shuttle Ferries in Israel ("**The Tender**") to assemble a repository of Framework Suppliers, with whom this Agreement will be drawn, and from whom the Client can select, in accordance and subject to the provisions of this Agreement, the Framework Supplier that will execute for it the individual executional task, as will exist from time to time, and as the Client will instruct as per this Agreement;

**And Whereas** the Client accepted the Supplier's proposal to the Tender and upon signing this Agreement with the Supplier, included the Supplier in the repository of Framework Suppliers undertaking to execute the executional tasks as per this Agreement, Ayalon Highways procedures and as instructed by the Client from time to time.

**And Whereas** the Parties are interested in defining in this Agreement their relationship concerning the Supplier's inclusion in the Framework Supplier Repository, all as detailed in this Agreement.

**Therefore, it was agreed, stipulated, and declared in writing as follows:**

1. **General**

- 1.1 The preamble to this Agreement comprises an inseparable part thereof.
- 1.2 Section Headings in this Agreement are provided solely for the reader's convenience and will not be used to interpret the Sections' content in any way.
- 1.3 This Agreement states in the masculine and female by implication, in the singular, plural, and all when no other intent is implied.
- 1.4 This Agreement's provisions supplement the provisions of the Standard Suppliers Agreement, as defined herein; however, they will override any contradictory statement found in the Standard Suppliers Agreement unless expressly stated otherwise.
- 1.5 The terms in this Agreement will bear the same meaning given to them in the tender documents unless expressly stated otherwise.

2. **The Agreement's Documents**

Document A' - The Framework Supplier's proposal and all its appendices, including the Supplier's Technical Response and all the Tender Documents attached by way of the referral, including those that amend and/or modify them and/or are mentioned in them and/or added to them and noted expressly as such, will constitute and/or comprise an integral part of this Agreement (hereinafter: "**The Agreement**").



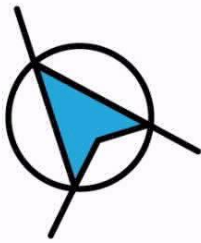
### 3. Definitions

3.1 In this Agreement, the following terms will bear the following meanings:

- "Timetable"** - A listing of the dates during which the Framework Supplier must execute (including starting and finishing date) the services and works in the Executional Task.
- "Framework Suppliers Repository"** - A repository containing all of the Tender awardees between them and the Company a Framework Agreement has been signed (this Agreement).
- "Executional Task"** - A specific task for the execution of services that will be executed by a Framework Supplier as per the results of the Individual Referral concerning this task.
- "The Services"/"The Works"** - Services for operating and transporting passengers in public seagoing ferry shuttles, as per destinations and dates detailed by the Company and as will be defined as part of any Individual Referrals that will be conveyed to the Winning Bidders according to the mechanism detailed below.
- "Individual Referral"** - As implied in Section 5 below.

### 4. Contract Period

- 4.1 The contract period between the Client and the Supplier will be 24 months (hereinafter: **"Contract Period"**).
- 4.2 The start of the contract period will be when the first Framework Supplier signed the Agreement with the Company and entered the Framework Supplier Repository. It will be clarified that if the Supplier will sign this Agreement with the Client, on a date later than the First Supplier as stated, the Contract Period with the Supplier will begin on the date of the Contract Period with the First Supplier as stated, and not on the date of the signing of this Agreement.
- 4.3 The Client is given the option, at his sole discretion, to extend by written notice, the Contract Period as per the Agreement, up to 3 additional periods of 12 months each

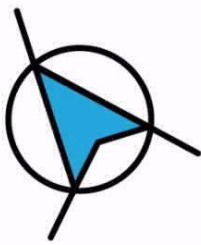


(hereinafter: "**The Extension Period**"); thus, the total Contract will not last more than a total of 60 months. It will be clarified that the Client will be entitled as his sole discretion and without having to give a reason for his decision to extend the Contract Period with only some of the Framework Suppliers. In contrast, concerning some, the Contract Period will not be extended. The Supplier waives *a priori* any claim and/or demand and/or suit in this matter.

- 4.4 The Client is given the possibility, at his sole discretion, to conclude the Contract Period by a notification that will be given 45 days *a priori* with the Framework Suppliers, in part or whole thereof - at his sole discretion, and this without derogating from any other provisions in this Agreement and/or the Standard Suppliers Agreement.
- 4.5 Subsequent to the Client commissioning the Supplier, in the framework of the Contract Period and according to this Agreement, in the implementation of the executional task, the provisions of this Agreement will continue to apply concerning the execution of the said task until its completion, even if in the interim, the Contract Period or Extension Period, or both, have concluded as per this Agreement. Upon conclusion of the Contract Period, including the Extension Period, the Client will not be entitled to turn to the Framework Supplier for the execution of new executional tasks; however, implementation of executional tasks conveyed to the Framework Supplier within the Contract Period and/or the Extension will conclude as per to their determined timetable, and this is also if the conclusion of the execution of the same executional tasks falls after the Contract Period and/or the Extension. Nothing in the prejudices as mentioned above the rights of the Client as per this Agreement relative to any executional task, including his right to canceling said Contract.

## 5. An Individual Referral for Receipt of Proposals concerning the Execution of a Task

- 5.1 After Ayalon Highways has formulated specifications for services that it requires, Ayalon Highways will distribute an Individual Referral for the receipt of proposals (RFP) concerning a certain executional task or tasks (hereinafter: "**Individual Referral**"). It will be clarified that an Individual Referral may contain one or more executional task(s) at the Company's discretion.
- 5.2 As part of the said individual referral, Ayalon Highways will convey the documents concerning the individual referral to the framework suppliers, all or parts thereof. These documents will contain all the technical specifications, documents, plans, quantities, and instructions pertaining to the task's execution.



- 5.3 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 submitting proposals concerning the task's execution by the framework supplier (hereinafter: "**A Price Quotation for an Individual Referral**"). It should be clarified that the Company will be entitled to set within the framework of a certain Individual Referral, additional specifications, prerequisites, and standards, beyond the proposed cost, for determining the Supplier awarded execution of a task, including consideration of certain criteria concerning the compatibility of the proposed system and/or the Bidder to the character of the services and/or the frequency and/or the location and the route for which the services are required, requirements concerning insurance and more.
- 5.4 The Supplier will submit a response to the Individual Referral that will contain a technical response (as per the instructions contained in the referral) and will state in the price quotation issued in response to the Individual Referral, the proposed consideration offered by him relative to the execution of the services listed in detail in the documents of the Individual Referral, on the Price Quotation Form that will be attached to the documents of the Individual Referral.
- 5.5 The individual Contract Agreement concerning the task for execution will be attached to the Individual Referral that will be sent according to this Section.
- 5.6 Ayalon Highways will establish a review and control mechanism concerning the participation of the Framework Supplier in Individual Referrals that were conveyed to the Supplier and will be entitled to take measures at its discretion concerning Suppliers that have failed to submit their proposals to Individual Referrals, including possible suspension from the repository for a period to be determined, as the Company's sole discretion, and the Supplier waives any claim and/or demand and/or suit against Ayalon Highways in this matter.

## **6. Selecting the Framework Supplier that will be Conveyed the Executional Task**

- 6.1 The Framework Suppliers' proposals to the Individual Referral will be examined as per the provisions of this Agreement, the Individual Referral documents, and the remaining Tender Documents. Among other things, an Individual Referral might contain a review of its proposals solely as per a Price Quotation, or according to a weighted score

containing the components of a Price Quotation and a quality score that will be given in response to the Individual Referral as will be detailed in the referral

- 6.2 Subject to this Agreement's provisions, the remaining tender documents, and the relevant Individual Referral documents, Ayalon Highways will convey an executional task for execution by a Framework Supplier under the mechanism to be determined in the Individual Referral. In this framework, the Company will be entitled to establish in a particular Individual Referral standards for evaluating the quality of the proposed systems and/or their compatibility with the relevant Individual Referral and/or determine the identity of the winning Supplier as per the prices offered by the Framework Suppliers, all at its sole discretion.
- 6.3 If two (or more) Framework Suppliers have submitted their proposals to an Individual Referral that are equal in value and terms, the Company will be entitled, at its sole discretion, to act in one of the following two ways:

6.3.1 Conduct an additional pricing competition

In the additional pricing competition framework, each one of the mentioned Framework Suppliers will be permitted to improve their submitted Individual Referral price quotation proposal.

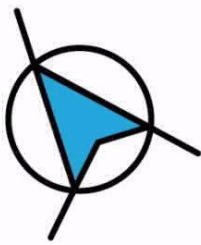
A Framework Supplier permitted to submit an improved offer as stated in this clause, but chose not to do so, will be considered to have proposed a 0% discount relative to the original bid, and the monetary bid will be as per the proposed price quotation to the Individual Referral previously submitted.

The Framework Supplier that offers the best Individual Referral Price Quotation will execute the executional task.

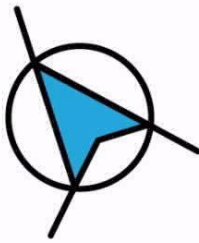
Even after the above mentioned additional pricing competition, there remained offers of equal status; the Ayalon Highways Tenders Committee is authorized, as part of a reasoned, written decision, to decide on the winning proposal as per the considerations detailed in Section 8.3 of the Terms of Tender Volume or conducting an additional pricing competition or conducting a lottery as detailed in Section 6.3.2 below.

6.3.2 Conducting a Lottery

In the framework of these proceedings, Ayalon Highways will conduct a lottery between those Framework Suppliers that have submitted equal monetary offers, as stated above. The Framework Supplier chosen in the lottery will be selected by Ayalon Highways to execute the executional task.



- 6.4 Cancellation of the winning Supplier as part of the executional task, and his removal from the Framework Suppliers Repository
- 6.4.1 The Supplier will not be entitled to refuse to undertake the executional task's execution, including that the Supplier will not be able to generate any claim and/or demand and/or suit concerning the financial scope of the executional task.
- 6.4.2 If the Supplier failed to fulfill his obligations as imposed in the executional task framework, Ayalon Highways would be entitled, at its sole discretion, to cancel the executional task win, or allocate an additional extension for the fulfillment of its obligations. Suppose Ayalon Highways canceled the Supplier's awarding of the executional task because of the latter's failure to fulfill its obligations. In that case, Ayalon Highways will be entitled to remove it from the Framework Suppliers Repository without derogating from any other available remedies.
- 6.4.3 Without derogating from the above mentioned and herein, if Ayalon Highways canceled the Framework Supplier's award of an executional task because the latter failed to fulfill its obligations, Ayalon Highways will be entitled to declare the Framework Supplier whose submitted price quotation to the Individual Referral was ranked in the position after the Framework Supplier whose winning proposal was canceled, as the awardee of the executional task or cancel the executional task, all according to its sole and absolute discretion.
- 6.4.4 Without derogating from any right afforded Ayalon Highways, and in addition to any right that is as per any law and under the terms of the Tender and the Agreement, in the case in which Ayalon Highways has canceled the Standard Suppliers Agreement with the Supplier for any reason whatsoever, Ayalon Highways will be entitled, although not obligated, to turn to the Framework Supplier ranked after the Framework Supplier that was awarded the executional task, and instruct him to enter into a contract under the auspices of the Standard Suppliers Agreement to continue execution of the works under the terms and conditions of the individual price quotation that he submitted concerning the executional task. In the avoidance of doubt, it is clarified that realization of the above mentioned right as per this clause will be given to the sole and absolute discretion of Ayalon Highways.
- 6.4.5 Also, and without derogating from the above mentioned and below, in the event where it is made known to Ayalon Highways that the Supplier is failing to fulfill its obligations as pertaining to an executional task as per the Agreement or fails to cooperate in responding to Individual Referrals, Ayalon Highways will be entitled, at its sole discretion, to decide against the selection of the Supplier for



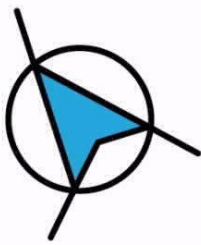
the execution of subsequent and additional executional tasks, without derogating from any available remedy according to the Tender and/or this Agreement and/or any law.

- 6.4.6 Without derogating from the above mentioned, Ayalon Highways will be entitled to operate an alignment to assess the quality of the Framework Suppliers during its Contract Period with them, according to criteria that it will establish for this purpose, at its sole and professional discretion. It is hereby clarified that in the framework of the quality alignment mentioned above, Ayalon Highways will be entitled to determine criteria for the removal of a Framework Supplier from the Framework Suppliers Repository or its suspension for a specified period, in the case where the evaluation of the Framework Supplier proves to be lower than the minimum threshold that will be established by Ayalon Highways, as per its sole and professional discretion.
- 6.4.7 The Supplier hereby waives *a priori* and undertakes not to raise any claim and/or suit and/or demand against the Company for and/or in connection with the exercise of Ayalon Highways rights as stated in this Section 6.4, including for and/or in connection with the cancellation of its awarding and/or its removal from the Framework Suppliers Repository.

#### 6.5 **Conveying the Executional Task to the Framework Supplier**

- 6.5.1 Should the Client decide to convey the Framework Supplier an executional task, the Client will convey to the Framework Supplier the documents containing the relevant instructions for the task's execution.
- 6.5.2 The timetable for the execution and conclusion of the executional task will be according to the Client's milestones and assignment.
- 6.5.3 It is hereby clarified that from the moment the Supplier submitted a tender proposal. If its proposal was accepted, it was included in the Framework Suppliers Repository. As such obligated to execute, as required by the Company, any executional task conveyed to him by the Company as per the terms and conditions of this Agreement.
- 6.5.4 All the documents conveyed by the Client in connection with an executional task will be considered an integral part of this Agreement.
- 6.6 The starting date for execution of the executional task will be as detailed in the Notice to Proceed (NTP) issued to the Framework Supplier following the completion of all the preliminary obligations pertinent to the executional task, as detailed in this Agreement





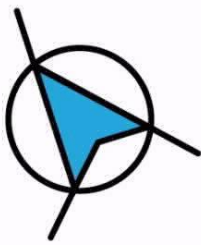
and in the Standard Suppliers Agreement that will be signed with him concerning the executional task. This notice will be considered and "NTP" to the matter of any document referring to or relating to the notification mentioned above. The Client has the authority to instruct the Supplier to execute preparatory assignments in advance of the execution, before the stated date.

## **7. Absence of Exclusivity and Absence of a Commitment for Minimum Activity**

- 7.1 The Company, at its sole discretion, is entitled not to impose on any of the Framework Suppliers any executional task and, instead, publish additional and/or complementary Tenders and/or conduct other competitive procedures in connection with the execution of any executional task, which may have been carried out under the Tender, or contract with any other entity for this purpose, all under the law, and there is nothing in the winning of the Framework Suppliers in the Tender and/or signing this Agreement and/or the inclusion of the Framework Suppliers in the Framework Suppliers' Repository to assure said Framework Suppliers that the Company will afford them, all or parts thereof, execution of the executional tasks.
- 7.2 This Agreement in no way constitutes an obligation on the part of the Client to convey to the Supplier any scope of works, or if at all, and it is possible that a Framework Supplier will not be conveyed a single executional task. This Agreement does not create any commitment toward the Framework Supplier, except for a commitment that it will be included in the Framework Supplier Repository, and that is as per and subject to the terms of this Agreement, the Company will choose from time to time, and at its discretion, and decision, to impose any of the missions on any one of the Framework Suppliers, with whom it will enter into a contract for the execution of a specific mission.
- 7.3 The Supplier declares that it has no expectation and/or right of a claim concerning a minimum or maximum scope or learning of the work to be conveyed to him under this Agreement and hereby waives an irrevocable waiver of any claim, demand, or suit against the Company in any matter related to the mentioned in the Section above.

## **8. Priorities and Coordination**

- 8.1 The Client is entitled to convey to the Supplier several concurrent executional tasks. If the Client conveys to the Supplier several tasks as stated above, In that case, the Client will be entitled to determine from time to time the order of priority between the tasks, and the Supplier will execute said executional tasks accordingly.



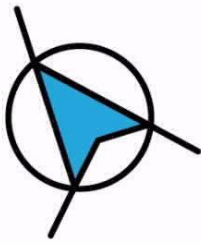
- 8.2 The Supplier will execute the executional tasks as per the specifications defined by Ayalon Highways relative to the manner and stages of the executional task. In this context, it will be clarified that the Supplier will be required to be prepared for the execution of special tasks according to the project's needs, including a single executional task concerning works in several different worksites and/or operate several concurrent work teams and/or execute works at night.
- 8.3 The tasks required under the Standard Supplier Agreement include everything needed to execute the tasks as required, including obtaining and attaining all approvals and certifications from the competent authorities and coordinating with other Service Providers employed within the relevant project, and obtaining all permits and approvals for the lawful execution of the works.
- 8.4 Without derogating from the generality of those mentioned above, the Supplier will cooperate fully with the relevant Project Manager and all other parties to the Project, all according to Ayalon Highway instructions and guidelines.

## **9. Remedies and Relief**

- 9.1 Nothing in the remedy and/or right given to the Client under this Agreement derogates any remedy or right afforded by law, according to the Standard Suppliers Agreement, and by the remaining Tender documents.
- 9.2 If the Framework Supplier has breached his obligations in executing any task, such will be a violation of this Agreement and the Standard Suppliers Agreement, for all intent and purpose.
- 9.3 The Client will be afforded the right to offset payments due to the Framework Supplier under this Agreement any payment due to the Framework Supplier.

## **10. Assigning the Agreement / Delivery of the Services by the Framework Supplier to a Third Party**

- 10.1 The Framework Supplier is not entitled to transfer to another the Agreement, or parts thereof, and is also not entitled to transfer or assign or mortgage or pawn to another any right or obligation according to the Agreement, including the right to funds liable to be due him according to this Agreement, unless afforded advanced written approval by the Client.



- 10.2 The Framework Supplier is prohibited from transferring to another execution of the services, all or parts thereof, without written and *a priori* consent from the Client.
- 10.3 Without derogating from the provisions of Sections 10.1 and 10.2 above, to the extent that the Framework Supplier transfers its rights or obligations under this Agreement, or conveyed execution of the Services, all or parts thereof, to another, the Framework Supplier will continue to bear full responsibility for its obligations toward the Company under this Agreement.
- 10.4 The Client will be entitled to transfer its rights and obligations under the Agreement, in part or whole, to the Transport Ministry and/or any ministry and/or governmental entity and/or body controlled by the State of Israel and/or to any other relevant entity, subject to such that no harm will come to the rights held by the Framework Supplier under this Agreement.
- 10.5 Without derogating from the generality of those as mentioned above, it is agreed that the Framework Supplier's services, and assigned tasks for execution as per the provisions of this Framework Agreement, can be provided by it directly to the Transport Ministry and/or any ministry and/or governmental entity and/or body controlled by the State of Israel and/or to any other entity, as per the provisions of the Agreement, the Terms of the Tender, and subject to such that no harm will come to the rights held by the Framework Supplier under this Agreement.

**IN WITNESS WHEREOF, the parties have signed:**

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**The Client**

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**The Framework Supplier**